

**INDEPENDENT AUDITOR'S REPORT****To the Members of Interarch Building Products Limited (formerly known as Interarch Building Products Private Limited)****Report on the Audit of the Financial Statements****Opinion**

We have audited the accompanying financial statement of Interarch Building Products Limited (formerly known as Interarch Building Products Private Limited) ("the Company"), which comprise the Balance sheet as at March 31, 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

**Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.



## **Responsibilities of Management for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph (i)(vi) below on reporting under Rule 11(g);
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i)(vi) below on reporting under Rule 11(g);



- (g) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (h) In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid/provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act;
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 35(b) to the financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
  - iv.
    - a) The management has represented that, to the best of its knowledge and belief no, as disclosed in the note 43 to the financial statements, funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other person(s) or entity(ies) identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - b) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 43 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other person(s) or entity(ies) identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
    - c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
  - v. No dividend has been declared or paid during the year by the Company.
  - vi. Based on our examination which included test checks, as stated in Note 46 to the financial statements, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail facility and the same has operated throughout the year for all relevant transactions recorded in the software except for direct changes to database using certain access rights. Wherever audit trail is enabled, during the



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course of our audit, we did not come across any instance of audit trail feature being tampered with in respect of accounting software.

**For S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



**per Pravin Tulsyan**

Partner

Membership Number: 108044

UDIN: 24108044BKFLYK4094

Place of Signature: Gurugram

Date: June 11, 2024





**ANNEXURE 1 REFERRED TO IN PARAGRAPH I UNDER THE HEADING OF “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR AUDIT REPORT OF EVEN DATE**

Re: Interarch Building Products Limited (formerly known as Interarch Building Products Private Limited) (“the Company”)

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i)(a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment.
- (i)(a)(B) The Company has maintained proper records showing full particulars of intangibles assets.
- (i)(b) All Property, plant and equipment were physically verified by the management during the year 2022-23 in accordance with a planned programme of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (i)(c) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- (i)(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2024.
- (i)(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii)(a) The management has conducted physical verification of inventory including inventory lying with third parties at reasonable intervals during the year. In our opinion the coverage and the procedures of such verification by the management is appropriate. No discrepancies of 10% or more in aggregate for each class of inventory were noticed on such physical verification.
- (ii)(b) As disclosed in note 14(a) to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. Five crores in aggregate from banks or financial institutions during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks or financial institutions are in agreement with the books of accounts of the Company.



- (iii)(a) During the year, the Company has not made investment in, provided any loans or advances in the nature of loans secured or unsecured, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties except loan to employees which are as follow:

Particulars	Amount (INR in lakhs)
Aggregate amount of loans provided during the year	179.56
Balance outstanding as at balance sheet date in respect of above loans	104.41

- (iii)(b) The terms and conditions of the grant of all such loans to employees are not prejudicial to the Company's interest.
- (iii)(c) In respect of loans granted to employees, the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.
- (iii)(d) There are no amounts of loans granted to employees which are overdue for more than ninety days.
- (iii)(e) There were no loans granted to employees which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (iii)(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013, related to the manufacture of goods, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii)(a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, duty of custom, duty of excise, value added tax, cess and other statutory dues have generally been regularly deposited with



the appropriate authorities though there has been a slight delay in a few cases. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed dues in respect of goods and services tax, provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, cess and other statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable.

- (vii)(b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

Name of the Statute	Nature of dues	Amount (INR in lakhs)*	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Interest on Service Tax (Non-payment of interest on Service Tax demand on import of design charges under reverse charge)	125.37	2008-09 and 2009-10	Commissioner Customs, Excise & Service Tax Appellate Tribunal, Allahabad
West Bengal Value Added Tax Act, 2003	VAT (Non-production of documents in support of the VAT return)	312.06	2007-2008 to 2009-2010	Senior Joint Commissioner, Commercial Tax, Kolkata
Goa, Daman and Diu (Sales Tax) Act, 1964	Sales Tax (Higher duty demand on account of wrong classification of goods)	44.04	2001-2002	Bombay High Court at Goa
Jharkhand Value Added Tax, 2005	VAT (including penalty) (Demand of tax and penalty on account of excess deduction of labour cost)	15.76	2008-09	Joint commissioner of, Commercial Tax, Jharkhand
Income Tax Act, 1961	Income Tax (Disallowance under Section 80-IB)	129.34	A.Y. 2006-2007	Income Tax Appellate Tribunal (ITAT), New Delhi
Income Tax Act, 1961	Income Tax (Double taxation of Interest Income and disallowance of other amount allowable as deduction)	46.44	A.Y. 2020-2021	Commissioner of Income Tax (Appeals)
Central Sales Tax Act, 1956	CST (Non submission of Form F)	1.38	2010-2011	Additional Commissioner (DVAT), Delhi
Pondur Panchayat, Tamil Nadu	House Tax (Demand raised by Pondur Panchayat towards non payment of House Tax)	13.92	2010-11 to 2022-23	President (A) Executive Officer, Sriperumbudur Panchayat Union
State Industries Promotion Corporation of Tamil Nadu Limited (SIPCOT) Rules	Infrastructure and Amenities charges with respect to Industrial Building approval (including interest)	18.58	2008-09 to 2023-24	Madras High Court





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Name of the Statute	Nature of dues	Amount (INR in lakhs)*	Period to which the amount relates	Forum where dispute is pending
Employees Provident Fund & Miscellaneous Provisions Act, 1952	Provident fund	30.73	2007-08 to 2014-15	Central Government Industrial Tribunal (CGIT)-cum-Labour Court, Lucknow
Finance Act, 1994	Interest on Service Tax and Krishi Kalyan Cess (KKC)	143.36	2017-18 to 2021-22	Commissioner Customs, Excise & Service Tax Appellate Tribunal, Allahabad
Jharkhand Value Added Tax, 2005	VAT (Demand of tax on account of disallowance of VAT)	60.34	2016-17	Deputy Commissioner of Commercial Taxes, Jharkhand
Goods and Service tax Act, 2017	GST (including penalty) on account of disallowance of Input tax credit ('ITC').	67.02	2017-18 to 2021-22	CGST Appeals, Chennai
Goods and Service tax Act, 2017	GST (including interest and penalty) on account of disallowance of Input tax credit ('ITC').	930.32	2017-18	High Court, Uttarakhand
Goods and Service tax Act, 2017	GST (including interest) on account of disallowance of Input tax credit ('ITC').	7.44	2017-18	CGST Appeals, West Bengal
Goods and Service tax Act, 2017	GST (including interest and penalty) on account of disallowance of Input tax credit ('ITC').	74.45	2017-18 to 2021-22	CGST Appeals, Rajasthan
Goods and Service tax Act, 2017	GST (including interest and penalty) on account of disallowance of Input tax credit ('ITC').	3.15	2017-18	CGST Appeals, Gujarat
Goods and Service tax Act, 2017	GST (including interest and penalty) on account of disallowance of Input tax credit ('ITC').	106.59	2018-19	Assistant Commissioner, Vadodara
Goods and Service tax Act, 2017	GST (including interest and penalty) on account of disallowance of Input tax credit ('ITC').	97.13	2017-18	SGST Appeals, Assam
Goods and Service tax Act, 2017	GST (including interest and penalty) on account of disallowance of Input tax credit ('ITC').	24.76	2018-19	Assistant Commissioner, SGST Tezpur Assam
Goods and Service tax Act, 2017	GST (including interest and penalty) on account of disallowance of Input tax credit ('ITC').	2.25	2018-19	State Tax Officer, Bhubaneswar, Odisha
Goods and Service tax Act, 2017	GST (including interest and penalty) on account of disallowance of Input tax credit ('ITC').	154.27	2018-19	Deputy commissioner of State Tax, Maharashtra



Name of the Statute	Nature of dues	Amount (INR in lakhs)*	Period to which the amount relates	Forum where dispute is pending
Goods and Service tax Act, 2017	GST on account of disallowance of Input tax credit ('ITC').	12.55	2018-19	Superintendent of Central Tax, Karnataka
Goods and Service tax Act, 2017	GST on account of disallowance of Input tax credit ('ITC').	13.07	2019-20	Superintendent of Central Tax, Dadar
Goods and Service tax Act, 2017	GST (including interest and penalty) on account of disallowance of Input tax credit ('ITC').	42.25	2019-20	Proper Officer, Faridabad, Haryana
Goods and Service tax Act, 2017	GST on account of disallowance of Input tax credit ('ITC').	34.40	2019-20	Deputy commissioner of State Tax, Andhra Pradesh
Goods and Service tax Act, 2017	GST (including interest) on account of disallowance of Input tax credit ('ITC').	22.43	2019-20	Excise and Taxation Officer State, Punjab
Goods and Service tax Act, 2017	GST on account of disallowance of Input tax credit ('ITC').	3.53	2019-20	Superintendent, CGST Division, Telangana
Goods and Service tax Act, 2017	GST (including interest) on account of disallowance of Input tax credit ('ITC').	5.46	2019-20	Superintendent, CGST & Excise, Gujarat

\* Net of amounts paid under protest of Rs. 26.14 lakhs.

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix)(a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (ix)(b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (ix)(c) Term loans were applied for the purpose for which the loans were obtained.
- (ix)(d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (ix)(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.
- (ix)(f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the order is not applicable to the Company.



- (x)(a) The Company has not raised any money during the year by way of initial public offer, further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (x)(b) The Company has not made any preferential allotment or private placement of shares fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi)(a) No material fraud by the Company or no material fraud on the Company has been noticed or reported during the year.
- (xi)(b) During the year, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (xi)(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with Sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv)(a) The Company has an internal audit system commensurate with the size and nature of its business.
- (xiv)(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi)(a) The provisions of Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (xvi)(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (xvi)(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- (xvi)(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.



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- (xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 42 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx)(a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of Section 135 of the Act. This matter has been disclosed in note 26 to the financial statements.
- (xx)(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of Section 135 of Companies Act. This matter has been disclosed in note to 26 the financial statements.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

  
per **Pravin Tulsyan**

Partner

Membership Number: 108044

UDIN No: 24108044BKFLYK4094

Place of Signature: Gurugram

Date: June 11, 2024



**ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF INTERARCH BUILDING PRODUCTS LIMITED (FORMERLY KNOWN AS INTERARCH BUILDING PRODUCTS PRIVATE LIMITED)**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to financial statements of Interarch Building Products Limited (formerly known as Interarch Building Products Private Limited) ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the financial statements included obtaining an understanding of internal financial controls with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these financial statements.





## **Meaning of Internal Financial Controls With Reference to these Financial Statements**

A Company's internal financial controls with reference to these financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to these financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

## **Inherent Limitations of Internal Financial Controls With Reference to these Financial Statements**

Because of the inherent limitations of internal financial controls with reference to these financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to these financial statements to future periods are subject to the risk that the internal financial control with reference to these financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to these financial statements and such internal financial controls with reference to these financial statements were operating effectively as at 31 March 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

**For S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

**per Pravin Tulsyan**

Partner

Membership Number: 108044

UDIN: 24108044BKFLYK4094

Place of Signature: Gurugram

Date: June 11, 2024



**Interarch Building Products Limited**  
(formerly known as Interarch Building Products Private Limited)  
CIN:U45201DL1983PLC017029  
Balance Sheet as at March 31, 2024  
(Amount in Rs. lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	10,636.72	10,391.94
Capital work-in-progress	3	1,268.16	-
Investment properties	4	276.64	283.46
Intangible assets	5	18.42	3.70
Right-of-use assets	6	5,653.61	5,357.58
<b>Financial assets</b>			
(i) Investments	7(a)	536.42	501.02
(ii) Trade receivables	7(b)(i)	4,813.26	3,837.04
(iii) Loans	7(e)	45.15	-
(iv) Other financial assets	7(f)	279.20	159.84
Non-current tax assets (net)	8	239.52	187.85
Other non-current assets	9	270.73	408.32
<b>Total non-current assets</b>		<b>24,037.83</b>	<b>21,130.75</b>
<b>Current assets</b>			
Inventories	10	14,684.34	13,697.58
Contract assets	7(b)(ii)	3,525.20	2,792.94
<b>Financial assets</b>			
(i) Trade receivables	7(b)(i)	17,075.19	15,870.75
(ii) Cash and cash equivalents	7(c)	6,157.67	5,866.32
(iii) Bank balances other than (ii) above	7(d)	7,612.50	6,054.44
(iv) Loans	7(e)	62.31	27.63
(v) Other financial assets	7(f)	142.16	101.83
Other current assets	11	2,203.61	1,960.33
<b>Total current assets</b>		<b>51,462.98</b>	<b>46,371.82</b>
<b>Total assets</b>		<b>75,500.81</b>	<b>67,502.57</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Equity share capital	12	1,441.59	1,500.06
<b>Other equity</b>			
Equity contribution	13	313.32	84.90
Capital redemption reserve	13	58.47	-
Securities premium	13	9,149.97	9,149.97
General reserve	13	1,817.59	5,659.12
Retained earnings	13	31,681.52	23,533.85
<b>Total equity</b>		<b>44,462.46</b>	<b>39,927.90</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
(i) Borrowings	14(a)	64.37	110.56
(ii) Lease liabilities	14(b)	267.76	577.74
Government grants	15	4.39	5.86
Employee defined benefit liabilities (net)	33	111.20	906.38
Deferred tax liabilities (net)	30	571.80	588.47
<b>Total non-current liabilities</b>		<b>1,019.52</b>	<b>2,189.01</b>
<b>Current liabilities</b>			
Contract liabilities	16	11,638.64	10,602.61
<b>Financial liabilities</b>			
(i) Borrowings	14(a)	955.86	1,027.81
(ii) Lease liabilities	14(b)	50.51	56.70
(iii) Trade payables	14(c)		
-Total outstanding dues of micro enterprises and small enterprises		1,081.06	907.10
-Total outstanding dues of creditors other than micro enterprises and small enterprises		12,275.37	9,458.91
(iv) Other financial liabilities	14(d)	1,715.31	1,186.44
Provisions	17	167.75	137.48
Government grants	15	1.47	1.47
Employee defined benefit liabilities (net)	33	1,194.98	800.00
Other current liabilities	18	937.88	1,207.14
<b>Total current liabilities</b>		<b>30,018.83</b>	<b>25,385.66</b>
<b>Total liabilities</b>		<b>31,038.35</b>	<b>27,574.67</b>
<b>Total equity and liabilities</b>		<b>75,500.81</b>	<b>67,502.57</b>

The accompanying notes form an integral part of these Financial Statements.  
As per our report of even date.

For **S.R. Batliboi & Co. LLP**  
ICAI Firm Registration No. 301003E/L/300005  
Chartered Accountants

per **Pravin Tulsyan**  
Partner  
Membership no. 108044



Place : Gurugram  
Date : June 11, 2024

For and on behalf of the Board of Directors of  
**Interarch Building Products Limited**  
(formerly known as Interarch Building Products Private Limited)

**Arvind Nanda**  
Managing Director  
DIN: 00149426

**Manish Kumar Garg**  
Chief Executive Officer

Place : Noida  
Date : June 11, 2024

**Gautam Suri**  
Whole Time Director  
DIN: 00149374

**Pashpendra Kumar Bansal**  
Chief Financial Officer

**Nidhi Goel**  
Company Secretary and  
Compliance Officer  
Membership no. A19279



**Interarch Building Products Limited**  
(formerly known as Interarch Building Products Private Limited)  
CIN:U45201DL1983PLC017029  
Statement of Profit and Loss for the year ended March 31, 2024  
(Amount in Rs. lakhs, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Income</b>			
Revenue from operations	19	1,29,330.16	1,12,392.60
Other income	20	1,301.28	1,246.46
<b>Total income (I)</b>		<b>1,30,631.44</b>	<b>1,13,639.06</b>
<b>Expenses</b>			
Cost of raw material and components consumed	21	82,903.83	74,273.53
Changes in inventories of finished goods and work in progress	22	(527.73)	(1,025.19)
Employee benefits expense	23	11,896.82	9,336.30
Finance costs	24	216.24	259.62
Depreciation and amortization expense	25	797.65	729.62
Other expenses	26	23,755.75	19,169.91
<b>Total expenses (II)</b>		<b>1,19,042.56</b>	<b>1,02,743.79</b>
<b>Profit before tax (I-II=III)</b>		<b>11,588.88</b>	<b>10,895.27</b>
<b>Tax expense</b>			
- Current tax	30	2,989.22	2,323.44
- Adjustment of income tax relating to earlier years (net)	30	(7.16)	52.89
- Deferred tax (credit) / charge	30	(19.38)	420.09
- Deferred tax (credit) for earlier year	30	-	(47.39)
<b>Total income tax expense (IV)</b>		<b>2,962.68</b>	<b>2,749.03</b>
<b>Profit for the year (III-IV=V)</b>		<b>8,626.20</b>	<b>8,146.24</b>
<b>Other comprehensive income (OCI) (VI)</b>			
<b>Item that will not be re-classified to profit or loss in subsequent periods</b>			
Remeasurement gains/(losses) of defined benefit liability	33	10.78	(123.74)
Income tax effect		(2.71)	31.14
<b>Other comprehensive income (OCI) for the year (net of tax) (VI) - gain/(loss)</b>		<b>8.07</b>	<b>(92.60)</b>
<b>Total comprehensive income (OCI) for the year (V+VI = VII)</b>		<b>8,634.27</b>	<b>8,053.64</b>
<b>Earnings per equity share</b>			
Basic & Diluted (in Rs)	31	58.68	54.31
Face value of Rs. 10.00 (March 31, 2023: Rs. 10.00)			

The accompanying notes form an integral part of these Financial Statements.  
As per our report of even date.

For **S.R. Batliboi & Co. LLP**  
ICAI Firm Registration No. 301003E/E300005  
Chartered Accountants

per **Pravin Tulsyan**  
Partner  
Membership no. 108044



Place : Gurugram  
Date : June 11, 2024

For and on behalf of the Board of Directors of  
**Interarch Building Products Limited**  
(formerly known as Interarch Building Products Private Limited)

**Arvind Nanda**  
Managing Director  
DIN: 00149426

**Manish Kumar Garg**  
Chief Executive Officer

**Pushpendra Kumar Bansal**  
Chief Financial Officer

**Gautam Suri**  
Whole Time Director  
DIN: 00149374

**Nidhi Goel**  
Company Secretary and  
Compliance Officer  
Membership no. A19279

Place : Noida  
Date : June 11, 2024



**Interarch Building Products Limited**  
**(formerly known as Interarch Building Products Private Limited)**  
CIN:U45201DL1983PLC017029  
**Statement of Cash Flows for the year ended March 31, 2024**  
**(Amount in Rs. lakhs, unless otherwise stated)**

Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A. Cash flow from operating activities</b>			
Profit before tax		11,588.88	10,895.27
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation and amortization expense	25	797.65	729.62
Allowance for doubtful debts and advances	26	122.65	-
Bad debts/advances written off (net)	26	6.10	258.37
Bad debts recovered	20	(79.13)	(50.70)
Net gain on disposal of property, plant and equipment	20	(12.83)	(10.88)
Net gain on sale of investment properties	20	-	(6.19)
Fair value gain on financial instruments at fair value through profit or loss (Unrealised)	20	(35.39)	(1.03)
Government grants	20	(1.47)	(1.47)
Interest income	20	(982.80)	(574.12)
Provision for doubtful debts/ advances written back (net)	20	-	(448.68)
Fair value of guarantee charges	24 & 25	228.42	42.35
Gain on lease modification	20	(22.68)	-
Interest expense	24	80.55	120.63
<b>Operating profit before working capital changes</b>		<b>11,689.95</b>	<b>10,953.17</b>
Adjustments for working capital:			
Decrease in provisions		(359.15)	(524.86)
Increase in trade payables		2,990.42	2,497.71
Increase in other financial liabilities		310.21	92.08
Increase in other liabilities		766.87	1,852.04
Increase in trade receivables		(2,230.28)	(8,194.65)
Increase in inventories		(986.76)	(284.82)
Increase in other assets		(970.51)	(1,318.28)
(Increase) / Decrease in other financial assets		(24.73)	33.98
<b>Cash generated from operations</b>		<b>11,186.02</b>	<b>5,106.37</b>
Direct taxes paid (net of refunds)	8	3,033.73	1,977.78
<b>Net cash generated from operating activities (A)</b>		<b>8,152.29</b>	<b>3,128.59</b>
<b>B. Cash flows from investing activities</b>			
Purchase of property, plant and equipment and intangible assets		(1,838.66)	(1,364.75)
Payment towards purchase of right to use assets		(680.08)	-
Proceeds from sale of property, plant and equipment		32.99	26.62
Proceeds from sale of investment properties		-	23.40
(Purchase) of investments		-	(500.00)
Employee loans repayment		99.73	64.45
Employee loans given		(179.56)	(58.42)
Investment in bank deposits (having original maturity of more than three months)		(5,051.63)	(4,066.41)
Proceeds from bank deposits (having original maturity of more than three months)		3,378.31	3,423.63
Interest received		963.09	552.60
<b>Net cash (used in) investing activities (B)</b>		<b>(3,275.81)</b>	<b>(1,898.88)</b>
<b>C. Cash flow from financing activities</b>			
Payment for buy back of shares	12, 13 & 45	(3,900.00)	-
Tax on buy back of equity shares	13 & 45	(428.13)	-
Proceeds from long-term borrowings	7(c)(ii)	-	77.11
Repayment of long-term borrowings	7(c)(ii)	(59.70)	(49.22)
(Repayment) of / Proceeds from short-term borrowings (net)	7(c)(ii)	(58.44)	774.36
Interest paid		(25.45)	(62.74)
Interest paid on lease liability	34	(56.96)	(61.84)
Payment towards principal portion of lease liability	34	(56.45)	(51.54)
<b>Net cash (used in) / generated from financing activities (C)</b>		<b>(4,585.13)</b>	<b>626.13</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>		<b>291.35</b>	<b>1,855.84</b>
Cash and cash equivalents at the beginning of the year	7(c)	5,866.32	4,010.48
<b>Cash and cash equivalents at the end of the year</b>	<b>7(c)</b>	<b>6,157.67</b>	<b>5,866.32</b>



**Interarch Building Products Limited**  
**(formerly known as Interarch Building Products Private Limited)**  
CIN:U45201DL1983PLC017029  
**Statement of Cash Flows for the year ended March 31, 2024**  
**(Amount in Rs. lakhs, unless otherwise stated)**

**Components of cash and cash equivalents**

Particulars	As at March 31, 2024	As at March 31, 2023
Balance with banks:		
- in current accounts	7.30	10.97
- in cash credit accounts	1,001.56	421.07
Deposits with original maturity of three months or less	5,146.36	5,430.14
Cash on hand	2.45	4.14
<b>Cash and cash equivalents [refer note 7(c)(i)]</b>	<b>6,157.67</b>	<b>5,866.32</b>

**Notes:**

(i) Non-cash financing and investing activities

Particulars	As at March 31, 2024	As at March 31, 2023
Modification of right to use assets	6	(237.04)
	(237.04)	237.42

(ii) Refer Note 7(c)(ii) for Change in liabilities arising from financing activities

The accompanying notes form an integral part of these Financial Statements.

As per our report of even date

For **S.R. Batliboi & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration No. 301003E/E300005

per **Pravin Tulsyan**  
Partner  
Membership no. 108044



Place : Gurugram  
Date : June 11, 2024

For and on behalf of the Board of Directors of  
**Interarch Building Products Limited**  
(formerly known as Interarch Building Products Private Limited)

**Arvind Nanda**  
Managing Director  
DIN: 00149426

**Manish Kumar Garg**  
Chief Executive Officer

Place : Noida  
Date : June 11, 2024

**Rushendra Kumar Bansal**  
Chief Financial Officer



**Gautam Suri**  
Whole Time Director  
DIN: 00149374

**Nidhi Goel**  
Company Secretary and  
Compliance Officer  
Membership no. A19279



**Interarch Building Products Limited**  
(formerly known as Interarch Building Products Private Limited)  
CIN:U45201DL1983PLC017029  
Statement of changes in equity for the year ended March 31, 2024  
(Amount in Rs. lakhs, unless otherwise stated)

**A. Equity share capital**

For the year ended March 31, 2023

Particulars	Note	Number of shares	Amount
Balance as at April 01, 2022		1,50,00,600	1,500.06
Changes in equity share capital during the year		-	-
<b>Balance as at March 31, 2023</b>	12	<b>1,50,00,600</b>	<b>1,500.06</b>

For the year ended March 31, 2024

Particulars	Note	Number of shares	Amount
Balance as at April 01, 2023		1,50,00,600	1,500.06
Changes in equity share capital during the year due to buyback of shares (refer note 45)		(5,84,708)	(58.47)
<b>Balance as at March 31, 2024</b>	12	<b>1,44,15,892</b>	<b>1,441.59</b>

**B. Other equity**

For the year ended March 31, 2023

Particulars	Equity contribution (Note-13)	Reserve and surplus				Total
		Capital redemption on reserve (Note 13)	Securities premium (Note 13)	General reserve (Note 13)	Retained earnings (Note 13)	
Balance as at April 01, 2022	42.55	-	9,149.97	5,659.12	15,480.21	30,331.85
Addition during the year	42.35	-	-	-	-	42.35
Profit for the year	-	-	-	-	8,146.24	8,146.24
Other comprehensive income for the year-(loss)	-	-	-	-	(92.60)	(92.60)
<b>Balance as at March 31, 2023</b>	<b>84.90</b>	<b>-</b>	<b>9,149.97</b>	<b>5,659.12</b>	<b>23,533.85</b>	<b>38,427.84</b>

For the year ended March 31, 2024

Particulars	Equity contribution (Note-13)	Reserve and surplus				Total
		Capital redemption on reserve (Note 13)	Securities premium (Note 13)	General reserve (Note 13)	Retained earnings (Note 13)	
Balance as at April 01, 2023	84.90	-	9,149.97	5,659.12	23,533.85	38,427.84
Addition during the year	228.42	-	-	-	-	228.42
Profit for the year	-	-	-	-	8,626.20	8,626.20
Other comprehensive income for the year-gain	-	-	-	-	8.07	8.07
<b>Total comprehensive income for the year</b>	<b>313.32</b>	<b>-</b>	<b>9,149.97</b>	<b>5,659.12</b>	<b>32,168.12</b>	<b>47,290.53</b>
<b>Transactions with owners of the Company</b>						
Buyback of equity shares (refer note 45)	-	58.47	-	(3,841.53)	(58.47)	(3,841.53)
Tax on buy back of equity shares (refer note 45)	-	-	-	-	(428.13)	(428.13)
<b>Balance as at March 31, 2024</b>	<b>313.32</b>	<b>58.47</b>	<b>9,149.97</b>	<b>1,817.59</b>	<b>31,681.52</b>	<b>43,020.87</b>



**Nature and purpose of reserves**

**Capital Redemption Reserve**

As per Companies Act, 2013, capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve is utilised in accordance with the provisions of section 69 of the Companies Act, 2013.

**Securities premium**

Securities premium account represents the amount received in excess of par value of securities (equity shares). The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

**General reserve**

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. This represents appropriation of profit by the Company. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

**Retained earnings**

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve. Retained earnings include re-measurement gain / (loss) of defined benefit liability, net of taxes that will not be reclassified to Statement of Profit and Loss. It also includes fair value gain (net of tax) on Property, plant and equipment and Right to use assets recognised on transition to Ind AS i.e. April 01, 2021.

**Equity contribution**

As per provisions of Ind AS, Guarantees received from related parties is indirectly a contribution in form of Equity to the Company. The Company should record the guarantee charges at fair value / at arm's length transaction. The fair value of the guarantee would have been paid for taking a similar guarantee for a total facilities/limits (fund and non fund based) from banks taken by the Company from unrelated third party. The Company had not paid any commission to the related party. Therefore, the Company considered this is akin to deemed capital contribution.

The accompanying notes form an integral part of these Financial Statements.

As per our report of even date.

For **S.R. Batliboi & Co. LLP**  
ICAI Firm Registration No. 301003E/E300005  
Chartered Accountants

per **Pravin Tulsyan**  
Partner  
Membership no. 108044



Place : Gurugram  
Date : June 11, 2024

For and on behalf of the Board of Directors of  
**Interarch Building Products Limited**  
(formerly known as Interarch Building Products Private Limited)

**Arvind Nanda**  
Managing Director  
DIN: 00149426

**Manish Kumar Garg**  
Chief Executive Officer

Place : Noida  
Date : June 11, 2024

**Gautam Suri**  
Whole Time Director  
DIN: 00149374

**Pushendra Kumar Bansal**  
Chief Financial Officer



**Nidhi Goel**  
Company Secretary and  
Compliance Officer  
Membership no. A19279

**Interarch Building Products Limited**  
(formerly known as Interarch Building Products Private Limited)

CIN:U45201DL1983PLC017029

Notes forming part of the Financial Statements for the year ended March 31, 2024  
(Amount in Rs. lakhs, unless otherwise stated)

**1. Corporate information**

Interarch Building Products Limited (formerly known as Interarch Building Products Private Limited) ("the Company") was incorporated on November 30, 1983 as a private limited Company under the provisions of the Companies Act applicable in India. The Company's registered office is Farm No.-8, Khasra No. 56/23/2, Dera Mandi Road, Mandi Village, Tehsil Mehrauli, New Delhi- 110047. The Company is engaged in the manufacturing, supply, erection and installation of Pre-engineered steel construction solutions, metal roofing & cladding system, metal false ceiling and light gauge framing system.

The Company has converted from Private Limited Company to Public Limited Company, pursuant to a special resolution passed in the extraordinary general meeting of the shareholders of the Company held on October 13, 2023 and consequently the name of the Company has changed to Interarch Building Products Limited pursuant to a fresh certificate of incorporation by the Registrar of Companies on December 15, 2023.

The Financial Statements for the year ended March 31, 2024 were approved in the meeting of Board of Directors and authorised for issue on June 11, 2024.

**2 Material Accounting Policies**

**2.1 Basis of preparation**

The Financial Statements of the Company have been prepared in accordance Indian Accounting Standard (Ind AS) notify under the companies (Indian Accounting Standards) Rules, 2015, (as amended from time to time) and presentation and disclosure requirements of Division II of Schedule III to the Companies Act, 2013, (Ind-AS compliant Schedule III), as applicable.

The Financial Statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)
- Net defined benefit (asset)/ liability

The Company has prepared the financial statements on the basis that it will continue to operate as a going concern.

The Financial Statements are presented in Indian Rupee (Rs.) and all values are rounded to the nearest lakhs.(Rs. 00,000), except when otherwise indicated.

**2.2 Summary of material accounting policies**

**I. Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle; or
- Held primarily for the purpose of trading; or
- Expected to be realised within twelve months after the reporting year; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle; or
- It is held primarily for the purpose of trading; or
- It is due to be settled within twelve months after the reporting year; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.



**Interarch Building Products Limited**  
**(formerly known as Interarch Building Products Private Limited)**

CIN:U45201DL1983PLC017029

Notes forming part of the Financial Statements for the year ended March 31, 2024

(Amount in Rs. lakhs, unless otherwise stated)

**II. Foreign currencies**

Items included in the Financial Statements are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in Indian rupee (Rs.), which is Company's functional and presentation currency.

**Transactions and balances**

Transactions in foreign currencies are initially recorded by the Company's at functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of initial transaction.

All foreign exchange gains and losses are presented in the statement of profit and loss on a net basis.

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Company initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Company determines the transaction date for each payment or receipt of advance consideration.

**III. Fair value measurement**

The Company measures financial instrument, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Financial Statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable



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For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting year.

The Company's finance department includes team that determines the policies and procedures for both recurring fair value measurement, such as valuation of assets and liabilities required for financial reporting purposes, including level 3 fair values.

External valuers are involved for valuation of significant assets, such as Investment properties, corporate guarantee and personal guarantee. Involvement of external valuers is decided upon annually by the finance team after discussion with and approval by the Chief Financial Officer (CFO), Chief Executive Officer (CEO) and Managing Director (MD). Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

The finance team and CFO decides, after discussions with the CEO, MD and external valuers, which valuation techniques and inputs to use for each case. At each reporting date, the finance team analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the finance team verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The finance team also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

On an interim basis, the finance team present the valuation results to the CFO, CEO, MD and the Company's

independent auditors. This includes a discussion of the major assumptions used in the valuations.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Fair value related disclosure for financial instruments and non-financial assets which are measured at fair value are disclosed in the relevant notes.

**IV. Revenue from contract with customers**

The Company enters into two types of contracts with customers i.e. fixed price contract and variable price contract. Variable price contracts are such contracts wherein price of goods or services is calculated by reference to a base steel price agreed with customers at the time of contract execution. The Company enters in variable price contracts for sale of pre-engineered building and sale of building material contracts. Under these contracts, price of pre-engineered building and building material are calculated in reference to steel prices.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

The disclosure of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 32.





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**Sale of Pre-engineered building (PEB) contracts**

In respect of pre-engineered building contracts, revenue is recognised over a period of time using the input method (equivalent to percentage of completion method; POCM) of accounting with contract costs incurred determining the degree of completion of the performance obligation.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers on behalf of the government.

Percentage of completion is determined on the basis of proportion of the costs of shipment made and cost of erection incurred as against the total estimated cost of shipment and erection.

Contracts are combined when the Company believes the underlying goods and services are a single performance obligation, single commercial objective or the consideration in one contract depends on another. Else contracts are separated.

Where the total cost of a contract, based on technical and other estimates is expected to exceed the corresponding contract value, such expected loss is provided for. The effect of any adjustment from revisions to estimate is included in the statement of profit and loss for the year in which revisions are made.

Liquidated damages (LD) represents the expected claim which the Company may need to pay for non-fulfilment of certain commitments as per the terms of respective sales contract. These are determined on case to case basis considering the dynamics of each contract and the factors relevant to that sale.

The Company provides installation services that are bundled together with the sale of products to a customer. Contracts for bundled sales of product and installation services are considered as one performance obligations because company believes underlying goods and services are a single performance obligation, single commercial objective or the consideration in one contract depends on another. Hence the installation services has been considered as a part of Sale of Pre-engineered building (PEB) contracts.

**Sale of building materials**

Revenue from sale of building materials is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the material. The payment terms depends upon each contract entered into with the customer.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., warranties). In determining the transaction price for the sale of material, the Company considers the effects of variable consideration, the existence of significant financing components, non cash consideration, and consideration payable to the customer (if any).

**(i) Variable Consideration**

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.



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**(ii) Significant financing component**

The Company applies the practical expedient for short-term advances received from customers. That is, the promised amount of consideration is not adjusted for the effects of a significant financing component if the year between the transfer of the promised good or service and the payment is one year or less.

**(iii) Warranty obligations**

The Company typically provides warranties for general repairs of defects that existed at the time of sale. These assurance-type warranties are accounted for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

**(iv) Interest income**

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

**Other**

Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

**Contract balances**

**a. Contract Assets:**

Revenue earned but not billed to customers against erection and sale of goods and services is reflected as Contract assets because the receipt of consideration is conditional on Company's performance under the contract (i.e transfer control of related goods or services to the customer). Upon completion of the installation and acceptance by the customer, the amount recognised as contract assets is reclassified to trade receivables.

Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in section XVI Financial instruments – initial recognition and subsequent measurement.

**b. Trade Receivables**

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section XVI Financial instruments – initial recognition and subsequent measurement.

**c. Contract Liabilities:**

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).



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**V. Government grants**

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

The Company has elected to present the grant in the balance sheet as deferred income, which is recognised in profit or loss on a systematic and rational basis over the useful life of the asset.

**VI. Taxes:**

**a. Current Income Tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

**b. Deferred tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.



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Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

In assessing the recoverability of deferred tax assets, the Company relies on the same forecast assumptions used elsewhere in the Financial Statements and in other management reports.

**c. Goods and service taxes (GST) paid on acquisition of assets or on incurring expenses**

Expenses and assets are recognised net of the amount of goods and service taxes paid, except :

- when the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

- when receivables and payables are stated with the amount of tax included.

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of other current assets or liabilities in the balance sheet.

**VII. Property, plant and equipment**

Under the previous GAAP, Property, plant and equipment and capital work in progress were carried in the balance sheet at cost net of accumulated depreciation and accumulated impairment loss (if any). On transition to Ind AS, the Company has elected to measure all items of property, plant and equipment at the date of transition i.e. April 01, 2021 to Ind AS at its fair value and use that fair values as its deemed cost at that date.

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use (if any) is included in the cost of the respective asset if the recognition criteria for a provision are met. As per estimate of the management, the Company does not have any expected cost of decommission on any asset.

When significant parts are required to be replaced at regular intervals, the Company recognises such parts as separate component of assets and depreciates separately based on their specific useful life. When an item of PPE is replaced, then its carrying amount is de-recognised and cost of the new item of PPE is recognised.



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Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Tangible assets	Useful life as per Schedule II (in years)	Useful life estimated by the management based on technical assessment (in years)
Factory building*	30 years	40 years
Non factory building*	60 years	40 years
Electrical Fittings	10 years	10 years
Plant and equipment	15 years	15 years
Office equipment	5 years	5 years
Furniture and fixtures	10 years	10 years
Computers	3 years	3 years
Vehicles*	8 years	7-8 years

Machinery spares are depreciated on straight line basis over the remaining useful life of related plant and equipment or useful life of spare part, whichever is lower.

\*The Company, based on technical assessment made by technical expert and management estimate, depreciates Buildings and Vehicle over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the year over which the assets are likely to be used.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**VIII. Investment properties**

On transition to Ind AS (i.e. April 01, 2021), the Company has elected to continue with the carrying value of all investment properties measured as per the previous GAAP and use that carrying value as the deemed cost of investment properties.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met.





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Depreciation on factory buildings component of investment property having gross block of Rs. 132.52 lakhs is calculated on a straight line basis over the remaining useful life after considering the overall useful life of 40 years (as re-assessed by the management in an earlier year based on technical evaluation), which is higher than the useful life prescribed in Schedule II to Companies Act, 2013.

Depreciation on residential property component of investment property of Rs. 30.52 lakhs, which is yet to be put to use, will be calculated once the said property is put to use.

Depreciation on Leasehold land component of investment property taken on lease is calculated over the useful life or the year of primary lease of 90 years, whichever is lower.

Though the Company measures investment properties using cost-based measurement, the fair value of investment properties are disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the year of derecognition. In determining the amount of consideration from the derecognition of investment properties the Company considers the effects of variable consideration, existence of a significant financing component, non-cash consideration, and consideration payable to the buyer (if any).

Transfers are made to (or from) investment properties only when there is a change in use. Transfers between investment property, owner-occupied property and inventories do not change the carrying amount of the property transferred and they do not change the cost of that property for measurement or disclosure purposes.

**IX. Intangible assets:**

On transition to Ind AS, the Company has elected to continue with the carrying value of all intangible assets recognised as at April 1, 2021 measured as per the previous GAAP and use that carrying value as the deemed cost of such other intangible assets.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the year in which the expenditure is incurred.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss, when the asset is derecognised.



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**Computer software:**

Cost relating to software and software licenses, which are acquired, are capitalized and amortized on a straight-line basis over their estimated useful lives of three years or actual year of license, whichever is lower.

**X. Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

**XI. Leases**

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

**Company as a Lessee**

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

**i) Right of Use Assets:**

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and accumulated losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Plant and machinery	8 years
Building	10 years
Land	90/99 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section XIII. Impairment of non-financial assets.

On transition to Ind AS (i.e. April 01, 2021), the Company has elected to measure Right-of-use assets (Leasehold land) at its fair value and use fair value as its deemed cost.



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**ii) Lease Liabilities:**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the year in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. The cost and accumulated depreciation for right of use assets where the leases gets matured or disposed off before maturity are de-recognised from the balance sheet and the resulting gains/(losses) are included in the statement of profit and loss within other expenses /other income. Lease liabilities and right of use assets have been presented as separate line in the balance sheet. Lease payments have been classified as cash used in financing activities.

**iii) Short-term leases and leases of low-value assets**

The Company applies the short-term lease recognition exemption to its short-term leases of building and plant and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option), except in case of lease contracts with related parties since there exist economic incentive for the Company to continue using the leased premises for a period longer than 11 months and considering the contract is with the related parties, it does not foresee non-renewal of the lease term for future periods, thus basis the substance and economic of the arrangements, management believes that under Ind AS 116, the lease terms in the arrangements with related parties have been determined considering the period for which management has an economic incentive to use the leased assets (i.e., reasonably certain to use the asset for the said period of economic incentive). Such assessment of incremental period is based on management assessment of various factors including the remaining useful life of the assets as on the date of transition. The management has assessed period of arrangement with related parties as 7-10 years as at April 01, 2021. It also applies the lease of low-value assets recognition exemption to leases of plant and equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

**Company as a Lessor**

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the year in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting year so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.



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**XII. Inventories**

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

i. **Raw materials and components, packing materials and stores and spares:**

Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials and components, packing materials and stores and spares is determined on a moving weighted average method. Stores and spares which do not meet the definition of property, plant and equipment are accounted as inventories.

ii. **Work in progress, Semi-finished goods and finished goods.**

Lower of cost and net realizable value. Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on a moving weighted average basis.

iii. **Scrap.**

Scrap is valued at net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

**XIII. Impairment of non - financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer year, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the Company operates, or for the market in which the asset is used.





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Impairment losses of continuing operations including impairment on inventories, are recognised in the statement of profit and loss.

The impairment assessment for all assets is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as revaluation increase.

The Company assesses where climate risks could have a significant impact, such as the introduction of emission-reduction legislation that may increase manufacturing costs. These risks in relation to climate-related matters are included as key assumptions where they materially impact the measure of recoverable amount, These assumptions have been included in the cash-flow forecasts in assessing value-in-use amounts.

**XIV. Provisions, contingent liabilities and contingent assets**

**i. General**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

**ii. Onerous contracts**

If the Company has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Company recognises any impairment loss that has occurred on assets dedicated to that contract.

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Company cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

**iii. Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non- occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle obligation. A contingent liability also arises in extremely rare cases where there is a liability that can not be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the Financial Statements.





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**iv. Contingent assets**

Contingent assets are not recognised in the Financial Statements. however, when the realization of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

**XV. Retirement and other employee benefits**

**Provident fund**

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

**Defined benefit plan**

The Company operates one defined benefit gratuity plan for its employees. The Company's net obligation in respect of defined benefit gratuity plan is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate determined by reference to market yields at the end of the reporting period on government bonds. This rate is applied on the net defined benefit liability (asset), both as determined at the start of the annual reporting period, taking into account any changes in the net defined benefit liability (asset) during the year as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

**Short term employee benefits**

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company recognizes expected cost of short-term employee benefit as an expense, when an employee renders the related service.



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**Long term employee benefits**

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

**XVI. Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**Financial assets:**

**Initial recognition and measurement:**

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (IV) Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

**Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in four categories:

- i. Financial assets at amortised cost (debt instruments)
- ii. Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)
- iii. Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- iv. Financial assets at fair value through profit or loss

**Financial assets at amortised cost (debt instruments)**

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

- i. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- ii. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.



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This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. The Company's financial assets at amortised cost includes trade receivables, and security deposit included under other non-current financial assets. For more information on receivables refer note 7(h) and 7(f)

**Financial assets at fair value through OCI (FVTOCI) (debt instruments)**

A 'financial asset' is classified as at the FVTOCI if both of the following criteria are met:

- i. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- ii. The asset's contractual cash flows represent SPPI

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. For debt instruments, at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value changes recognised in OCI is reclassified from the equity to profit or loss.

The Company has not designated any financial asset (debt instruments) at FVTOCI.

**Financial assets designated at fair value through OCI (equity instruments)**

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit and loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Company has not designated any financial asset (equity instruments) as at FVTOCI.

**Financial assets at fair value through profit or loss**

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.

This category includes such financial assets which the Company had not irrevocably elected to classify at fair value through OCI. The Company has designated investments in mutual funds (equity instruments) in this category.

**Embedded Derivatives**

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.



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**Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- i. The rights to receive cash flows from the asset have expired, or
- ii. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

**Impairment of financial assets**

Further disclosures relating to impairment of financial assets are also provided in the following notes:

- i. Disclosures for significant assumptions – see Note 32
- ii. Trade receivables and contract assets – see Note 7(b)

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.





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**Reclassification of financial assets**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting year following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in profit or loss.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss the reclassification date.





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**Financial Liabilities:**

**Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings.

**Subsequent measurement**

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- i. Financial liabilities at fair value through profit or loss
- ii. Financial liabilities at amortised cost (loans and borrowings)

**Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit or loss.

**Financial liabilities at amortised cost (Loans and borrowings)**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortization process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings. For more information refer note 14(a).

**Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.



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**Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**XVII. Cash and cash equivalents:**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

**XVIII. Dividend:**

The Company recognises a liability to pay dividend to equity holders of the parent when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

**XIX. Earnings per share:**

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders of Company (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year.

The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to equity shareholders of the Company and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**XX. Segment Reporting**

**Identification of segments**

The Company's operating businesses are organised and managed on a single segment considering activities of manufacturing, supply, erection and installation of pre-engineered buildings and related services as one single operating segment. The analysis of geographical segments is based on the location in which the customers are situated.

**Segment accounting policies**

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the Financial Statements of the Company as whole.

**XXI. Use of judgements and estimates**

In preparing the Financial Statements, management has made judgements and estimates that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the Financial Statements are given at note no. 32.



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**XXII. Changes in accounting policies and disclosures**

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules, 2023 dated March 31, 2023, to amend the following Ind AS which are effective for annual beginning on or after April 01, 2023. The Company applied for the first time these amendments.

**(i) Definition of Accounting Estimates - Amendments to Ind AS 8**

The amendments clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Company's financial statements.

**(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1**

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's financial statements.

**(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12**

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

The amendments had no impact on the Company's financial statements.

**XXIII. Standards Issued but not yet effective**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.



3. Property, plant and equipment (PPE)

Particulars	Freehold land	Building on freehold land	Building on leasehold land	Electrical fittings	Plant and equipment	Office equipment	Furniture and fixtures	Computers	Vehicles	Total	Capital work-in-progress
<b>Gross block</b>											
Balance as at April 01, 2022	2,174.60	2,245.16	3,280.51	252.48	2,391.13	44.90	42.53	62.82	447.26	10,941.39	-
Additions during the year	-	54.15	-	21.33	670.88	4.95	8.59	43.57	273.82	1,077.29	-
Disposals during the year	-	-	-	-	(2.22)	(0.09)	-	(0.89)	(29.09)	(32.29)	-
Balance as at March 31, 2023	2,174.60	2,299.31	3,280.51	273.81	3,059.79	49.76	51.12	105.50	691.99	11,986.39	-
Additions during the year	-	127.39	-	6.76	396.25	36.15	23.74	112.98	197.46	900.73	1,268.16
Disposals during the year	-	-	-	-	(16.35)	(0.15)	-	(0.48)	(30.59)	(47.57)	-
Balance as at March 31, 2024	2,174.60	2,426.70	3,280.51	280.57	3,439.69	85.76	74.86	218.00	858.86	12,839.55	1,268.16
<b>Accumulated depreciation</b>											
Balance as at April 01, 2022	-	69.98	116.95	121.15	589.72	19.82	23.31	27.22	69.56	1,037.71	-
Depreciation for the year	-	70.43	116.95	20.00	242.17	9.81	9.16	22.50	81.27	572.29	-
Disposals during the year	-	-	-	-	(1.54)	(0.08)	-	(0.85)	(13.08)	(15.55)	-
Balance as at March 31, 2023	-	140.41	233.90	141.15	830.35	29.55	32.47	48.87	137.75	1,594.45	-
Depreciation for the year	-	72.29	116.95	19.20	258.78	11.93	4.25	44.77	107.62	635.79	-
Disposals during the year	-	-	-	-	(8.24)	(0.14)	-	(0.45)	(18.58)	(27.41)	-
Balance as at March 31, 2024	-	212.70	350.85	160.35	1,080.89	41.34	36.72	93.19	226.79	2,202.83	-
<b>Net block</b>											
Balance as at March 31, 2023	2,174.60	2,158.90	3,046.61	132.66	2,229.44	20.21	18.65	56.63	554.24	10,391.94	-
Balance as at March 31, 2024	2,174.60	2,214.00	2,929.66	120.22	2,358.80	44.42	38.14	124.81	632.07	10,636.72	1,268.16

Notes:

- (i) All movable and immovable assets are subject (except vehicles charged exclusively to the finances) to charge/hypothecation created against cash credit and working capital facilities from bank. (Refer Note 14(a))  
(ii) The title deeds of all the immovable properties are held in the name of the Company.

Additional Regulatory Information

Capital work in progress (CWIP) Ageing Schedule\*

As at March 31, 2024	Amount			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
CWIP				
Capital work in progress**	1,268.16	-	-	-
Projects temporarily suspended	-	-	-	-
<b>Total</b>	<b>1,268.16</b>	<b>-</b>	<b>-</b>	<b>-</b>
				<b>1,268.16</b>

\*Capital work in progress balance is Rs. Nil as at March 31, 2023.

\*\*It comprises of building, plant and equipment and electrical fittings.

There is no project whose completion is overdue or has exceeded its cost compared to its original plan during the financial year 2023-24.



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3. Property, plant and equipment (PPE)

Additional Regulatory Information

Capital work in progress (CWIP) Ageing Schedule\*

As at March 31, 2024 CWIP	Amount				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Capital work in progress**	1,268.16	-	-	-	1,268.16
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>1,268.16</b>	-	-	-	<b>1,268.16</b>

\*Capital work in progress balance is Rs. Nil as at March 31, 2023.

\*\*It comprises of building, plant and equipment and electrical fittings.

There is no project whose completion is overdue or has exceeded its cost compared to its original plan during the financial year 2023-24.

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**4. Investment properties**

Particulars	Leasehold Land	Buildings	Total
<b>Gross block</b>			
Balance as at April 01, 2022	130.36	184.35	314.71
Additions during the year	-	-	-
Disposals during the year	-	(17.61)	(17.61)
<b>Balance as at March 31, 2023</b>	<b>130.36</b>	<b>166.74</b>	<b>297.10</b>
Additions during the year	-	-	-
Disposals during the year	-	-	-
<b>Balance as at March 31, 2024</b>	<b>130.36</b>	<b>166.74</b>	<b>297.10</b>
<b>Accumulated depreciation</b>			
Balance as at April 01, 2022	0.71	6.45	7.16
Depreciation for the year	0.71	6.17	6.88
Disposals during the year	-	(0.40)	(0.40)
<b>Balance as at March 31, 2023</b>	<b>1.42</b>	<b>12.22</b>	<b>13.64</b>
Depreciation for the year	0.71	6.11	6.82
Disposals during the year	-	-	-
<b>Balance as at March 31, 2024</b>	<b>2.13</b>	<b>18.33</b>	<b>20.46</b>
<b>Net block</b>			
Balance as at March 31, 2023	128.94	154.52	283.46
Balance as at March 31, 2024	128.23	148.41	276.64

**Notes:**

(i) During the earlier year, the Company entered into an agreement to sell the one residential flat (Cost Rs. 17.61 Lakhs, Net Block: Rs. 17.27 lakhs as at March 31, 2022) for which advance of Rs. 1.00 lakhs has been received from prospective buyers which has been sold during the previous year ended March 31, 2023 at the consideration of Rs. 24.00 lakhs (net of commission Rs. 23.40 lakhs) (Cost: Rs. 17.61 lakhs, Net block Rs. 17.21 lakhs).

**(ii) Information regarding income and expenditure of Investment properties**

Particulars	As at March 31, 2024	As at March 31, 2023
Rental income derived from investment properties	136.88	135.39
Direct operating expenses (including repairs and maintenance) arising from investment properties that generating rental income	(6.42)	(2.49)
Direct operating expenses (including repairs and maintenance) arising from investment properties that did not generate rental income	-	-
<b>Profit arising from investment properties before depreciation and indirect expenses</b>	<b>130.46</b>	<b>132.90</b>
Depreciation	(6.82)	(6.88)
<b>Profit arising from investment properties before indirect expenses</b>	<b>123.64</b>	<b>126.02</b>

**(iii) Fair value**

Particulars	As at March 31, 2024	As at March 31, 2023
Completed Investment properties	4,362.49	3,671.47
Investment properties under construction	32.05	32.05

**Breakup:**

Investment properties		
Fair value*	4,394.54	3,703.52
Cost (Net block)	276.64	283.46

\* including amount of Rs. 32.05 lakhs ( March 31, 2023: Rs. 32.05 lakhs) pertaining to residential flat which is under construction.

Investment property (Greater Noida Property) having net block of Rs. 165.28 lakhs (March 31, 2023: Rs. 172.10 lakhs) is subject to charge/ hypothecation created against cash credit and working capital facilities from bank. (Refer Note 14(a))

The title deeds of investment properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.



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**4. Investment properties**

These valuations are based on valuations performed by an accredited independent valuer who is a specialist in valuing these types of investment properties and is a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. A valuation model in accordance with that recommended by the International Valuation Standards Committee has been applied. The valuations performed by the valuer are based on active market prices, significantly adjusted for difference in the nature, location or condition of the specific assets.

The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

**Description of investment properties, valuation techniques (Level 3) used and key inputs to valuation on such investment properties:**

Particulars	Valuation Methodology	Significant unobservable Inputs	March 31, 2024	March 31, 2023
<b>Greater Noida property (Land) - Commercial</b>	Comparable listing method under Market Approach	Comparable rate per sq mt	Range : Rs. 32,250 - Rs. 33,750 Rate used: Rs. 32,750	Range : Rs. 22,500 -Rs. 37,500 Rate used: Rs. 27,000
<b>Greater Noida property (Building) - Commercial*</b>	Replacement Cost method under Cost Approach	Useful life  Depreciation Method	40 Years (as reassessed by management in an earlier years based on technical evaluation) Straight Line Method	40 Years (as reassessed by management in an earlier years based on technical evaluation) Straight Line Method
<b>Lavasa properties - Residential</b>	Guideline rate method under Market Approach	Land Guidelines rate per sq mt Flat Guidelines rate per sq mt % of completion for flat	Rate used : Rs. 4,860 Rate used : Rs. 55,130 60.00%	Rate used : Rs. 4,860 Rate used : Rs. 55,130 60.00%

\* including electrical fittings & furniture and fixtures of Rs. 4.19 lakhs (March 31, 2023: Rs. 4.35 lakhs)

The approaches used to determine fair value of the assets are provided in note 32.

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**5. Intangible assets**

Particulars	Computer Softwares	Total
<b>Gross block</b>		
<b>Balance as at April 01, 2022</b>	<b>23.29</b>	<b>23.29</b>
Additions during the year	0.27	0.27
Disposals during the year	-	-
<b>Balance as at March 31, 2023</b>	<b>23.56</b>	<b>23.56</b>
Additions during the year	22.75	22.75
Disposals during the year	-	-
<b>Balance as at March 31, 2024</b>	<b>46.31</b>	<b>46.31</b>
<b>Accumulated depreciation</b>		
<b>Balance as at April 01, 2022</b>	<b>10.14</b>	<b>10.14</b>
Amortization for the year	9.72	9.72
Disposals during the year	-	-
<b>Balance as at March 31, 2023</b>	<b>19.86</b>	<b>19.86</b>
Amortization for the year	8.03	8.03
Disposals during the year	-	-
<b>Balance as at March 31, 2024</b>	<b>27.89</b>	<b>27.89</b>
<b>Net block</b>		
<b>Balance as at March 31, 2023</b>	<b>3.70</b>	<b>3.70</b>
<b>Balance as at March 31, 2024</b>	<b>18.42</b>	<b>18.42</b>

**Note:**

All intangibles assets are subject to charge/ hypothecation created against cash credit and working capital facilities from bank. (Refer Note 14(a))

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**6. Right-of-use assets**

Particulars	Leasehold Land	Buildings	Plant and equipment	Total
<b>Gross block</b>				
<b>Balance as at April 01, 2022</b>	<b>4,894.90</b>	<b>447.88</b>	<b>29.28</b>	<b>5,372.06</b>
Modification during the year	-	237.42	-	237.42
Disposals during the year	-	-	-	-
<b>Balance as at March 31, 2023</b>	<b>4,894.90</b>	<b>685.30</b>	<b>29.28</b>	<b>5,609.48</b>
Addition during the year	680.08	-	-	680.08
Modification during the year*	-	(308.15)	-	(308.15)
Disposals during the year	-	-	-	-
<b>Balance as at March 31, 2024</b>	<b>5,574.98</b>	<b>377.15</b>	<b>29.28</b>	<b>5,981.41</b>
<b>Accumulated depreciation</b>				
<b>Balance as at April 01, 2022</b>	<b>65.72</b>	<b>44.79</b>	<b>0.64</b>	<b>111.15</b>
Depreciation for the year	65.72	71.17	3.86	140.75
Disposals during the year	-	-	-	-
<b>Balance as at March 31, 2023</b>	<b>131.44</b>	<b>115.96</b>	<b>4.50</b>	<b>251.90</b>
Depreciation for the year	71.98	71.17	3.86	147.01
Modification during the year*	-	(71.11)	-	(71.11)
Disposals during the year	-	-	-	-
<b>Balance as at March 31, 2024</b>	<b>203.42</b>	<b>116.02</b>	<b>8.36</b>	<b>327.80</b>
<b>Net carrying value</b>				
<b>Balance as at March 31, 2023</b>	<b>4,763.46</b>	<b>569.34</b>	<b>24.78</b>	<b>5,357.58</b>
<b>Balance as at March 31, 2024</b>	<b>5,371.56</b>	<b>261.13</b>	<b>20.92</b>	<b>5,653.61</b>

**Note:**

Leasehold lands are subject to charge/ hypothecation created against cash credit and working capital facilities from bank. (Refer Note 14(a))

\* The Company passed a board resolution on March 8, 2024, to purchase the leased property from the lessor. Consequently, the lease term, which was set to expire on March 31, 2031, is now revised to July 31, 2024 considering the management expectation to purchase the same by that time. This results in a modification of the right-of-use asset and lease liability.



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**7. Financial asset**

**7(a). Investment**

Particulars	As at	As at
	March 31, 2024	March 31, 2023
<b>Quoted Investments</b>		
<b>Investment in mutual funds (at fair value through profit or loss)</b>		
9,88,737.72 (March 31, 2023: 9,88,737.72) units of HDFC Nifty SDL Index Fund Regular Growth of Rs. 10/- each	107.33	100.26
9,84,231.82 (March 31, 2023: 9,84,231.82) units of ICICI Prudential Nifty SDL Index Fund Growth of Rs. 10/- each	107.30	100.26
9,71,211.84 (March 31, 2023: 9,71,211.84) units of Nippon India Nifty AAA PSU Bond Plus SDL Index Fund - Growth Plan of Rs. 10/- each	107.26	100.19
9,65,762.03 (March 31, 2023: 9,65,762.03) units of Tata Crisil-IBX Gift Index Fund- Regular Plan Growth of Rs. 10/- each	107.22	100.09
9,57,898.27 (March 31, 2023: 9,57,898.27) units of Aditya Birla Sun Life Nifty SDL Plus PSU Bond Fund Regular Growth of Rs. 10/- each	107.31	100.22
<b>Total</b>	<b>536.42</b>	<b>501.02</b>
Aggregate book value of quoted investments	536.42	501.02
Aggregate market value of quoted investments (refer note 38)	536.42	501.02

**7(b)(i) Trade receivables**

Particulars	As at	As at
	March 31, 2024	March 31, 2023
<b>Non current</b>		
Trade receivables	4,813.26	3,837.04
<b>Total</b>	<b>4,813.26</b>	<b>3,837.04</b>
<b>Current</b>		
Trade receivables	17,075.19	15,870.75
<b>Total</b>	<b>17,075.19</b>	<b>15,870.75</b>
<b>Break up of security details</b>		
<b>Gross trade receivables</b>		
<b>Non Current</b>		
Secured, considered good	-	-
Unsecured, considered good	4,813.26	3,837.04
Unsecured, credit impaired	207.26	164.75
<b>Current</b>		
Secured, considered good	-	-
Unsecured, considered good	17,075.19	15,870.75
Unsecured, credit impaired	735.27	655.13
<b>Total (A)</b>	<b>22,830.98</b>	<b>20,527.67</b>
<b>Impairment Allowance (allowance for bad and doubtful debts)</b>		
<b>Non current</b>		
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	(207.26)	(164.75)
<b>Current</b>		
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	(735.27)	(655.13)
<b>Total (B)</b>	<b>(942.53)</b>	<b>(819.88)</b>
<b>Total trade receivables (A+B)</b>	<b>21,888.45</b>	<b>19,707.79</b>

**Trade receivables Ageing Schedule**

As at March 31, 2024

Particulars	Outstanding for following periods from due date of payment*							Total
	Non current but not due	Current but not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	4,813.26	1,740.04	13,628.73	741.32	851.20	113.90	-	21,888.45
(ii) Undisputed Trade Receivables - credit impaired	207.26	74.94	586.86	31.92	36.65	4.90	-	942.53
(iii) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
<b>Total</b>	<b>5,020.52</b>	<b>1,814.98</b>	<b>14,215.59</b>	<b>773.24</b>	<b>887.85</b>	<b>118.80</b>	<b>-</b>	<b>22,830.98</b>

\* Where due date of payment is not available date of transaction has been considered.





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As at March 31, 2023

Particulars	Outstanding for following periods from due date of payment*							Total
	Non current but not due	Current but not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	3,837.04	681.29	13,653.39	473.60	181.14	-	612.93	19,439.39
(ii) Undisputed Trade Receivables - credit impaired	164.75	29.25	586.24	20.34	7.78	-	-	808.36
(iii) Disputed Trade Receivables - considered good	-	-	-	-	268.40	-	-	268.40
(iv) Disputed Trade Receivables - credit impaired	-	-	-	-	11.52	-	-	11.52
<b>Total</b>	<b>4,001.79</b>	<b>710.54</b>	<b>14,239.63</b>	<b>493.94</b>	<b>468.84</b>	<b>-</b>	<b>612.93</b>	<b>20,527.67</b>

\* Where due date of payment is not available date of transaction has been considered.

No trade or other receivable are due from directors or other officers of director is a partner, a director or a member.

All current assets (including trade receivables) are subject to charge/ hypothecation created against cash credit and working capital facilities from bank. (Refer Note 14(a))

These are non-interest bearing and are generally due from the date of certification of work done which normally takes 0 to 90 days from date of invoicing other than retention money which is due upon expiry of Defect liability period ranging from one year to two year from date of Completion certificate.

**7(b)(ii) Contract assets**

	As at March 31, 2024	As at March 31, 2023
<b>Current</b>		
Contract assets		
-Unbilled revenue*	3,525.20	2,792.94
<b>Total (A)</b>	<b>3,525.20</b>	<b>2,792.94</b>
<b>Impairment Allowance (allowance for bad and doubtful debts)</b>		
Contract assets - credit impaired	-	-
<b>Total (B)</b>	<b>-</b>	<b>-</b>
<b>Total contract assets (A-B)</b>	<b>3,525.20</b>	<b>2,792.94</b>

\*The amount at the beginning of the year has been billed to the customers subsequently.

**Set out below is the movement in the allowance for expected credit losses of trade receivables and contract assets:**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Impairment Allowance (allowance for bad and doubtful debts)</b>		
Opening Balance	819.88	1,783.58
Provision for expected credit losses (net)	122.65	(963.70)
<b>Closing Balance</b>	<b>942.53</b>	<b>819.88</b>

All current assets (including contract assets) are subject to charge/ hypothecation created against cash credit and working capital facilities from bank. (Refer Note 14(a))

**7(c) Cash and cash equivalents**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Balances with banks:</b>		
- On current accounts	7.30	10.97
- On cash credit accounts	1,001.56	421.07
Deposits with original maturity of three months or less*	5,146.36	5,430.14
Cash on hand	2.45	4.14
<b>Total</b>	<b>6,157.67</b>	<b>5,866.32</b>

\* Fixed deposits/ margin money deposit of Rs 379.89 lakhs (March 31, 2023: Rs 99.13 lakhs) has been held as margin money against issuance of bank guarantee and letter of credits provided in favour of customers and suppliers.

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates

All current assets (including cash and cash equivalents) are subject to charge/ hypothecation created against cash credit and working capital facilities from bank. (Refer Note 14(a))

**7(c)(i) For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Balances with banks :</b>		
- On current accounts	7.30	10.97
- On cash credit accounts	1,001.56	421.07
Deposits with original maturity of three months or less	5,146.36	5,430.14
Cash on hand	2.45	4.14
<b>Total</b>	<b>6,157.67</b>	<b>5,866.32</b>



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**7(c)(ii) Changes in liabilities arising from financing activities -**

Particulars	April 01, 2023	Cash flows (net)	Changes in fair values	Modification	Interest on lease liability	March 31, 2024
Current borrowings (refer note 14(a))	968.10	(58.44)	-	-	-	909.66
Non Current borrowings (including current maturities from long term borrowings (refer note 14(a)))	170.27	(59.70)	-	-	-	110.57
Lease liabilities (refer note 14(b) and 34)	634.44	(113.41)	-	(259.72)	56.96	318.27
<b>Total liabilities from financing activities</b>	<b>1,772.81</b>	<b>(231.55)</b>	<b>-</b>	<b>(259.72)</b>	<b>56.96</b>	<b>1,338.50</b>

Particulars	April 01, 2022	Cash flows (net)	Changes in fair values	Modification	Interest on lease liability	March 31, 2023
Current borrowings (refer note 14(a))	193.74	774.36	-	-	-	968.10
Non Current borrowings (including current maturities from long term borrowings (refer note 14(a)))	142.38	27.89	-	-	-	170.27
Lease liabilities (refer note 14(b) and 34)	448.57	(113.39)	-	237.42	61.84	634.44
<b>Total liabilities from financing activities</b>	<b>784.69</b>	<b>688.86</b>	<b>-</b>	<b>237.42</b>	<b>61.84</b>	<b>1,772.81</b>

**7(d) Bank balances other than cash and cash equivalents**

Particulars	As at March 31, 2024	As at March 31, 2023
Deposits with remaining maturity of less than 12 months*	7,612.50	6,054.44
<b>Total</b>	<b>7,612.50</b>	<b>6,054.44</b>

\* Fixed deposits / margin money deposit of Rs. 4,677.63 lakhs (March 31, 2023 Rs. 4,954.44 lakhs) have been held as margin money against issuance of bank guarantee and letter of credits provided in favour of customers and suppliers; Rs. 2,069.15 lakhs (March 31, 2023 Rs. Nil) have been pledged/lien against cash credit and working capital facilities from bank (refer note 14(a)); and Rs. 0.30 Lakhs (March 31, 2023 Rs. Nil) have been pledged with sales tax authorities. The Company earn interest at the respective term deposit rates. Fixed deposits are subject to charge/ hypothecation created against cash credit and working capital facilities from bank. (Refer Note 14(a))

**7(e) Loans**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Non current (Unsecured considered good)</b>		
Loan to employees	45.15	-
<b>Total</b>	<b>45.15</b>	<b>-</b>
<b>Current (Unsecured considered good)</b>		
Loan to employees	62.31	27.63
<b>Total</b>	<b>62.31</b>	<b>27.63</b>

All current assets (including loans) are subject to charge/ hypothecation created against cash credit and working capital facilities from bank. (Refer Note 14(a))

**7(f) Other financial assets**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Non-current (Unsecured considered good)</b>		
Deposits with remaining maturity of more than 12 months #	182.09	66.84
Security deposits		
- Related parties (refer note 36) ##	-	18.00
- Others	97.11	75.00
<b>Total</b>	<b>279.20</b>	<b>159.84</b>
<b>Current (Unsecured considered good)</b>		
Interest accrued on bank deposits and others	99.57	79.87
Security deposits		
- Related parties (refer note 36) ##	18.00	-
- Others	24.59	21.96
<b>Total</b>	<b>142.16</b>	<b>101.83</b>

# Fixed deposits / margin money deposit of Rs. 180.96 lakhs (March 31, 2023 Rs. 66.56 lakhs) have been held as margin money against issuance of bank guarantee and letter of credits provided in favour of customers and suppliers and of Rs. Nil (March 31, 2023 Rs. 0.28 Lakhs) have been pledged with sales tax authorities. The Company earn interest at the respective term deposit rates.

All current assets (including other financial assets) are subject to charge/ hypothecation created against cash credit and working capital facilities from bank. (Refer Note 14(a))



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**## Security Deposit from related parties includes :-**

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Dues from partnership firm (Intertec) in which the Company's director is a partner		
Non current	-	18.00
Current	18.00	-

**Breakup of Financial Assets carried at amortised cost**

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Trade Receivables (refer note 7(b)(i))	21,888.45	19,707.79
Cash and Cash equivalent (refer note 7( c))	6,157.67	5,866.32
Bank balances other than cash and cash equivalents (refer note 7(d))	7,612.50	6,054.44
Loans (refer note 7( e ))	107.46	27.63
Other Financial assets (refer note 7(f))	421.36	261.67
<b>Total</b>	<b>36,187.44</b>	<b>31,917.85</b>

**8. Income tax assets / (liabilities)**

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Opening balance	187.85	586.40
Add: Taxes paid (net of refunds)	3,033.73	1,977.78
Less: Tax expense	(2,982.06)	(2,376.33)
<b>Closing balance</b>	<b>239.52</b>	<b>187.85</b>
Non current tax assets (net)	239.52	187.85

**9: Other non-current assets**

Particulars	As at	As at
	March 31, 2024	March 31, 2023
<b>Unsecured, considered good</b>		
Advances for Property, plant and equipment	180.38	312.94
Prepaid expenses	7.19	7.12
Balances with statutory/government authorities	83.16	88.26
<b>Total</b>	<b>270.73</b>	<b>408.32</b>

**10. Inventories**

Particulars	As at	As at
	March 31, 2024	March 31, 2023
<i>(All inventories except for scrap are valued at the lower of cost or net realisable value and scrap is valued at net realisable value)</i>		
Raw materials (In transit of Rs 14.23 lakhs (March 31, 2023: Rs 44.21 lakhs))	9,384.82	8,966.29
Work in progress	2,396.33	2,021.34
Semi finished goods	2,521.51	2,383.27
Finished goods (In transit of Rs 19.97 lakhs ( March 31, 2023: Rs 3.06 lakhs))	25.87	19.02
Packing materials	48.21	42.02
Stores and spares	264.32	230.01
Scrap	43.28	35.63
<b>Total</b>	<b>14,684.34</b>	<b>13,697.58</b>

All current assets (including inventories) are subject to charge/ hypothecation created against cash credit and working capital facilities from bank. (Refer Note 14(a))

**11. Other current assets**

Particulars	As at	As at
	March 31, 2024	March 31, 2023
<b>Unsecured, considered good</b>		
Prepaid expenses	201.36	160.71
Balances with statutory/government authorities		
- VAT/ Entry tax recoverable	-	107.95
- Others	775.48	793.50
Advance to employees	7.30	9.72
Unamortised Share issue expenses*	557.55	-
Advances for goods & services	661.92	888.45
<b>Total</b>	<b>2,203.61</b>	<b>1,960.33</b>

\* During the year ended March 31, 2024, the Company incurred expenses in connection with the proposed Initial Public Offer (IPO) of equity shares of the Company by way of fresh issue and an offer for sale by the existing shareholders. In relation to the IPO expenses incurred till date, except for listing fees which shall be solely borne by the Company, all other expenses will be shared between the Company and the Selling Shareholders on a pro-rata basis, in proportion to the Equity Shares issued and allotted by the Company in the fresh issue and the offered shares sold by the selling shareholders in the offer for sale.

All current assets are subject to charge/hypothecation created against cash credit and working capital facilities from bank. (Refer Note 14(a))



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**12: Equity share capital**

Particulars	As at	
	March 31, 2024	March 31, 2023
<b>Authorised:</b> 20,000,000 (March 31, 2023: 20,000,000) equity shares of Rs.10 each	2,000.00	2,000.00
<b>Issued, subscribed and fully paid up:</b> 1,44,15,892 (March 31, 2023: 1,50,00,600) equity shares of Rs.10 each	1,441.59	1,500.06
<b>Total</b>	<b>1,441.59</b>	<b>1,500.06</b>

**A. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year**

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number	Amount	Number	Amount
<b>Equity shares</b>				
Balance at the beginning of the year	1,50,00,600	1,500.06	1,50,00,600	1,500.06
Changes in equity share capital during the year due to Buy back of shares (refer note 45)	(5,84,708)	(58.47)	-	-
<b>Balance at the end of the year</b>	<b>1,44,15,892</b>	<b>1,441.59</b>	<b>1,50,00,600</b>	<b>1,500.06</b>

**Notes:**

**a. Terms and rights attached to equity shares**

The Company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The holders of equity shares are entitled to receive dividends as declared from time to time.

In the event of liquidation of the Company, all preferential amounts, if any, shall be discharged by the Company. The remaining assets of the Company shall be distributed to the holders of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date.

One of the shareholder of the Company viz. OIH Mauritius Limited (formerly known as Indivision India Partners) has the following additional rights as per the Share Subscription Agreement and Shareholders Agreement namely:-

- Participate in any contract which involves an amount in excess of Rs.100.00 lakhs which is outside the ordinary course of business;
- Commencement or settlement of litigation where the amount involved is above Rs.100.00 lakhs in a single claim in any particular financial year;
- Vote in meetings on decisions where decision regarding divestment of or sale of assets, investments, lease, license or exchange or pledge in any other way proposing to dispose off any assets or undertaking of the Company except for those transactions which are in the ordinary course of business and those which have specifically been contemplated under the Transaction documents;
- Participate in decision regarding commencement of business/unit/division outside India;
- Participate in decisions regarding revision in the salaries/compensation paid to the directors of the Company, including the Promoters;
- Participate in the appointment or removal of the Chief Executive Officer, the Chief Financial Officer, and the Chief Operating Officer of the Company; and
- Participate in decision regarding Initial Public Offering (IPO) by the Company and appointment of merchant bankers for an IPO.

**b. Terms of Exit of OIH Mauritius Limited (formerly known as Indivision India Partners)(‘Investor’)**

As per the Shareholder's Agreement entered on December 4, 2007 between OIH Mauritius Limited (formerly known as Indivision India Partners), Mauritius, a public company limited by shares with limited life, Interarch Building Products Private Limited ('Company') and Promoters (namely Arvind Nanda, Gautam Suri, Taipan Associates Private Limited, Ishan Suri, Shobhna Suri and IGS Holdings Private Limited and their respective successors and permitted assigns) (collectively referred as "Parties"); and Share Subscription Agreement entered on even date, the Company had issued 1,00,000 equity shares of Rs. 100 each @ premium of Rs.9,900 each. As on date, OIH Mauritius Limited ('Investor') holds 17,97,600 equity share of Rs. 10 each after split and bonus shares.

The Investor shall have the exit rights as below:

During the exit period (6 months commencing from the expiry of the IPO Period), Investor shall have the right to sell the entire shares to a third party mutually agreed upon by the Parties. The Parties hereby agree and acknowledge that they shall take all reasonable steps to ensure that a mutually acceptable third party purchaser acquires the Investor Shares on terms and conditions acceptable to the Investor.

The right of the Investor, during the Exit period shall also include the right to cause the Company to take all necessary steps and co-operate to facilitate the Investor exit by way of an Offer for Sale (OFS) of the shares and seeking a listing of the Company on the exchange(s). The Investor shall have the right in priority to offer all the Investor Shares for sale in the OFS of the Company.

For the avoidance of doubt, it is clarified, that during the Exit period, the promoters right of first offer stand suspended.

Where the Investor requires prior legal, governmental or regulatory consent, for disposing the Investor Shares then, notwithstanding any other provision of the Shareholder's Agreement, that party shall only be obliged to acquire the shares once such consent or approval is obtained and the parties shall use their reasonable endeavours to obtain any such required approvals. Any period within which the transfer of the Investor Shares has to be completed shall be extended by such further period as is necessary for the purpose of obtaining the above approvals.





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In the event that upon the completion of the Exit period, the parties have not been successful in finding a third party purchaser or concluding the OFS, then for the period extending from after the completion of the Exit period to the next 6 months (Phase II), the Investor will have the right to sell only to the Promoter or cause the Company to buy back and the Promoter or the Company, as the case may be, will have an obligation to purchase or buy back all the Investor Shares at the fair market value determined in accordance with the procedure as mutually agreed and set out in the Shareholder's Agreement. The purchase of the Investor Shares by the Promoters and/or the Company will be completed in Phase II.

Notwithstanding, the other provisions of the Shareholder's Agreement, in the event that the Individual Promoters, Taipan Associates and/or IGS Holdings fail to purchase the Investor Shares during Phase II, as contemplated under the Shareholder's Agreement, the Investor shall have the right to sell the Investor Shares to any third party.

During current year ended March 31, 2024, the parties to the Shareholder Agreement have entered into Amendment Cum Waiver Agreement dated March 08, 2024 where IPO Period has been extended to December 31, 2024 and parties have agreed that upon the completion of the Exit Period, if the Parties have not been successful in finding a third party purchaser or concluding the OFS, then for the period extending from after the completion of the Exit Period to the next 6 (six) months ("Phase II"), the investor will have the right to sell only to the Individual Promoters, Taipan Associates and/or IGS Holdings and the Individual Promoters, Taipan Associates and/or IGS Holdings as the case may be, will have an obligation to purchase all the Investor Shares at the Fair Market Value, determined in accordance with the procedure set out in the Shareholder's Agreement. The purchase of the Investor Shares by the Individual Promoters, Taipan Associates and/or IGS Holdings will be completed in Phase II. In the event that the Individual Promoters, Taipan Associates and/or IGS Holdings fail to purchase the Investor Shares during Phase II, as contemplated under the Shareholder's Agreement the Investor shall have the right to sell the Investor Shares to any third party.

**B. Details of shareholders holding more than 5% shares in the Company as on year end**

Particulars	As at March 31, 2024		As at March 31, 2023	
	No of shares held	% of holding	No of shares held	% of holding
Mr. Gautam Suri	46,44,116	32.22%	47,75,300	31.83%
Mr. Arvind Nanda	57,29,046	39.74%	59,20,200	39.47%
M/s OIH Mauritius Limited ((formerly known as M/s Indivision India Partners	17,97,600	12.47%	20,00,000	13.33%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, above shareholding represents both legal and beneficial ownership of shares.

**C. Details of shares held by promoters**

**As at 31 March 2024**

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% Change during the year
Mr. Gautam Suri	47,75,300	(1,31,184)	46,44,116	32.22%	-2.75%
Mr. Arvind Nanda	59,20,200	(1,91,154)	57,29,046	39.74%	-3.23%
Mrs Shobhna Suri	6,00,100	-	6,00,100	4.16%	-
Mr Ishaan Suri	5,99,900	(59,970)	5,39,930	3.75%	-10.00%
M/s Taipan Associates Pvt Ltd	5,80,000	-	5,80,000	4.02%	-
M/s IGS Holding Pvt Ltd	5,25,000	-	5,25,000	3.64%	-
<b>Total</b>	<b>1,30,00,500</b>	<b>(3,82,308)</b>	<b>1,26,18,192</b>	<b>87.53%</b>	<b>-15.98%</b>

**As at 31 March 2023**

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% Change during the year
Mr. Gautam Suri	47,75,300	-	47,75,300	31.83%	-
Mr. Arvind Nanda	59,20,200	-	59,20,200	39.47%	-
Mrs Shobhna Suri	6,00,100	-	6,00,100	4.00%	-
Mr Ishaan Suri	5,99,900	-	5,99,900	4.00%	-
M/s Taipan Associates Pvt Ltd	5,80,000	-	5,80,000	3.87%	-
M/s IGS Holding Pvt Ltd	5,25,000	-	5,25,000	3.50%	-
<b>Total</b>	<b>1,30,00,500</b>	<b>-</b>	<b>1,30,00,500</b>	<b>86.67%</b>	<b>-</b>

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, above shareholding represents both legal and beneficial ownership of shares.

In relation to Buy back, the Company bought back 5,84,708 equity shares for an aggregate amount of Rs. 3,900.00 lakhs being 3.90% of the total paid up equity share capital at price of Rs. 667 per equity share. The equity shares bought back were extinguished on September 25, 2023 (Refer note 45).





13: Other equity

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Equity contribution</b>	313.32	84.90
<b>Reserves and surplus</b>		
Capital redemption reserve	58.47	-
Securities premium account	9,149.97	9,149.97
General reserve	1,817.59	5,659.12
Retained earnings	31,681.52	23,533.85
<b>Total</b>	<b>43,020.87</b>	<b>38,427.84</b>
Particulars	As at March 31, 2024	As at March 31, 2023
<b>Equity contribution*</b>		
Opening balance	84.90	42.55
Addition during the year	228.42	42.35
<b>Closing balance</b>	<b>313.32</b>	<b>84.90</b>
<b>Capital redemption reserve</b>		
Opening balance	-	-
Add: Transfer from retained earnings (refer note 45)	58.47	-
<b>Closing balance</b>	<b>58.47</b>	<b>-</b>
<b>Securities premium account</b>		
Opening balance	9,149.97	9,149.97
Addition during the year	-	-
<b>Closing balance</b>	<b>9,149.97</b>	<b>9,149.97</b>
<b>General reserve</b>		
Opening balance	5,659.12	5,659.12
Less: Buy back of equity shares (refer note 45)	(3,841.53)	-
<b>Closing balance</b>	<b>1,817.59</b>	<b>5,659.12</b>
<b>Retained earnings</b>		
Opening balance	23,533.85	15,480.21
Net profit for the year	8,626.20	8,146.24
<b>Items of other comprehensive income recognised directly in retained earnings</b>		
Remeasurements of post-employment benefit obligation, net of tax	8.07	(92.60)
Less: Transfer to capital redemption reserve (refer note 45)	(58.47)	-
Less: Tax on buy back of equity share (refer note 45)	(428.13)	-
<b>Closing balance</b>	<b>31,681.52</b>	<b>23,533.85</b>

\* The fair value of guarantee charges for guarantee issued by promoter directors and Intertec for total facilities/limits (fund and non fund based) from banks considered as contribution by Shareholders and credited to the equity. (Refer note 36(C)(b))

(This space has intentionally been left blank)



**14. Financial liabilities**

**14(a): Borrowings**

Particulars	Effective interest rate (%)	Maturity/ Repayment terms	As at March 31, 2024	As at March 31, 2023
<b>Non current borrowings</b>				
<b>Secured</b>				
Vehicle loans	Refer note 2 below	Refer note 2 below	64.37	110.56
<b>Total</b>			<b>64.37</b>	<b>110.56</b>
<b>Current borrowing</b>				
<b>Secured</b>				
Cash credit from banks	Refer below note 1(f)	On demand	909.66	948.10
Current maturities of long-term borrowings - Vehicle loans	Refer note 2 below	Refer note 2 below	46.20	59.71
<b>Unsecured</b>				
Borrowings from related parties (refer note 36)	Refer below note 3	On demand	-	20.00
<b>Total</b>			<b>955.86</b>	<b>1,027.81</b>

Refer note 40(c) for maturity profile of borrowings

**Notes:**

1. Cash credit and working capital facilities from banks are secured by:

(a) First pari-passu charge by way of hypothecation of entire current assets including book debts and inventory of the Company, both present and future of the company.

(b) These facilities, are further secured by first pari-passu charge over the entire movable fixed assets (except vehicles charged exclusively to the financier), both present and future, of the Company.

(c) These facilities from all banks are secured by way of equitable mortgage on immovable properties situated at: (i) Plot No. B-30, Sector-57, Noida, Uttar Pradesh (owned by the Company); (ii) Plot No. B-33, Sector-57, Noida, Uttar Pradesh (owned by M/s Intertec (Partnership Firm)); (iii) Plot No. 28A, Udyog Vihar, Greater Noida, Uttar Pradesh, being immovable properties (owned by M/s Intertec (Partnership Firm)); (iv) Plot No. D-1/1, SIPCOT, Industrial area, Sriperumbudur, Chennai, Tamil Nadu, (owned by the Company); (v) Khasra no.-276-A, Village Kisanpur, Pargana Rudrapur, Tehsil Kichha, Jila Udham Singh Nagar, Uttarakhand (owned by the Company); (vi) Plot No.29, Udyog Vihar, Greater Noida, Uttar Pradesh(owned by the Company); (vii) Plot no.14 & 14A, Sector-2, Pant Nagar, Udham Singh Nagar, Uttarakhand(owned by the Company) and (viii) Plot no F 19, SIPCOT Industrial Park, Sriperumpudur, Kanchipuram (TN) (owned by the Company).

(d) These facilities are secured by way of interim charge by way of pledge/ lien in favour of Lead Bank (acting for the benefit of the Consortium Banks), on fixed deposits of Rs. 2069.15 lakhs along with all of its right, title, interest (including accrued interest), benefits, claims and demands whatsoever to or in respect of the said fixed deposits. The pledge / lien on these FDRs will be released on perfection of mortgage on properties as mentioned above in point (iii) and (vi) of note 1(c).

(e) Further, secured by (a) personal guarantee of two directors of the Company to all Banks (namely Mr. Arvind Nanda and Mr. Gautam Suri) and (b) corporate guarantee of M/s Intertec (Partnership Firm).

(f) In respect of these facilities, quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.

(g) The cash credit facilities are repayable on demand and carry interest @ 8.00% p.a to 11.15% p.a (March 31, 2023: 7.5% p.a. to 11.10% p.a).

(h) The borrowings obtained by the Company from banks and financial institutions have been applied for the purposes for which such loans were taken.

2. Vehicles loans amounting to Rs 110.57 lakhs (March 31, 2023: Rs. 170.27 lakhs) are secured by hypothecation of underlying vehicles. The repayment terms and maturity terms are as below:

Party Name	Rate of interest	Number of equal Instalments	Maturity year	As at March 31, 2024	As at March 31, 2023
HDFC Bank	6.80% - 9.15%	36-60 months	July 07, 2022 - June 05, 2027 October 05, 2021 - October 01, 2026	36.88	50.18
Kotak Mahindra Bank	7.10% - 9.65%	36-60 months		40.02	60.11
Axis Bank	9.00%	60 months	October 10, 2026	32.25	42.94
Benz Financial Services India Private Limited	0.00%	12 months	April 01, 2024	1.42	17.04
<b>Total</b>				<b>110.57</b>	<b>170.27</b>

3. Unsecured loan from directors are repayable on demand and carry interest @ 6.00% (March 31, 2023: 6.00%).

4. The Company has not defaulted on working capital loans, vehical loans or any other loan payables.

**14(b): Lease liabilities**

Particulars	As at March 31, 2024	As at March 31, 2023
Non- Current (refer note 34)	267.76	577.74
Current (refer note 34)	50.51	56.70
<b>Total</b>	<b>318.27</b>	<b>634.44</b>

Refer note 40(c) for maturity profile of lease liabilities.

**14(c): Trade payables**

Particulars	As at March 31, 2024	As at March 31, 2023
Trade payables (including acceptances)		
- total outstanding dues of micro enterprises and small enterprises (refer note below for details of dues to micro and small enterprises)	1,081.06	907.10
- total outstanding dues of creditors other than micro enterprises and small enterprises	12,275.37	9,458.91
<b>Total</b>	<b>13,356.43</b>	<b>10,366.01</b>



**Trade payables Ageing Schedule**

**As at March 31, 2024**

Particulars	Outstanding for following periods from due date of payment*						Total
	Unbilled dues	Not Dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	199.13	681.73	132.04	0.71	0.70	66.75	1,081.06
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,393.97	7,487.52	3,230.33	48.71	23.52	42.34	12,226.39
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	20.66	5.10	23.21	48.97
<b>Total</b>	<b>1,593.10</b>	<b>8,169.25</b>	<b>3,362.37</b>	<b>70.08</b>	<b>29.32</b>	<b>132.30</b>	<b>13,356.42</b>

\* Where due date of payment is not available date of transaction has been considered.

**As at March 31, 2023**

Particulars	Outstanding for following periods from due date of payment*						Total
	Unbilled dues	Not Dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	45.64	228.34	534.48	4.78	42.84	51.02	907.10
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,014.74	1,829.60	6,374.17	107.19	18.81	65.43	9,409.94
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	7.81	17.91	4.01	19.24	48.97
<b>Total</b>	<b>1,060.38</b>	<b>2,057.94</b>	<b>6,916.46</b>	<b>129.88</b>	<b>65.66</b>	<b>135.69</b>	<b>10,366.01</b>

\* Where due date of payment is not available date of transaction has been considered.

Trade payables are non-interest bearing and are normally settled within 0 - 45 days.

Based on the information available with the Company regarding the status of suppliers as defined under MSMED Act, 2006, there was no principal amount overdue and no interest was payable to the Micro enterprises and small enterprises as per the terms of contract and based on agreement with vendors.

**Note:**

**Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006**

On the basis of the information and records available with management, details of dues to micro and small enterprises as defined under the MSMED Act, 2006 are as below:

Particulars	As at	As at
	March 31, 2024	March 31, 2023
1. The principal amount and interest due thereon remaining unpaid to any supplier as at the end of accounting year:		
- Principal amount *	1,113.80	907.10
- Interest thereon	-	-
2. The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
3. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
4. The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
5. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	-	-

\*Includes dues of micro enterprises and small enterprises amounting Rs. 32.74 lakhs (March 31, 2023 : Rs. Nil) pertaining to payable on purchase of property, plant and equipment (refer note 14(d)).

**14(d). Other financial liabilities**

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Payable on purchase of Property, plant and equipment *	222.78	2.36
Employee dues	1,453.52	1,142.31
Security deposits	38.42	39.42
Interest accrued and due on borrowings	-	1.52
Interest accrued but not due on borrowings	0.59	0.83
<b>Total</b>	<b>1,715.31</b>	<b>1,186.44</b>

\*Includes dues of micro enterprises and small enterprises amounting Rs. 32.74 lakhs (March 31, 2023 : Rs. Nil)



**Break up of financial liabilities carried at amortised cost**

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Lease liabilities (non-current) (refer note 14(b))	267.76	577.74
Borrowings (non current) (refer note 14(a))	64.37	110.56
Borrowings (current) (refer note 14(a))	955.86	1,027.81
Lease liabilities (current) (refer note 14(b))	50.51	56.70
Trade payables (refer note 14( c))	13,356.43	10,366.01
Other financial liabilities (refer note 14(d))	1,715.31	1,186.44
<b>Total financial liabilities carried at amortised cost</b>	<b>16,410.24</b>	<b>13,325.26</b>

**15: Government Grant**

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Government grant	5.86	7.33
<b>Total</b>	<b>5.86</b>	<b>7.33</b>
Non Current	4.39	5.86
Current	1.47	1.47

Particulars	Amount
Balance as at April 01, 2022	8.80
Received during the year	-
Released to the statement of profit and loss	(1.47)
<b>Balance as at March 31, 2023</b>	<b>7.33</b>
Received during the year	-
Released to the statement of profit and loss	(1.47)
<b>Balance as at March 31, 2024</b>	<b>5.86</b>

Government grants have been received for the purchase of certain items of property, plant and equipment. There are no unfulfilled conditions or contingencies attached to these grants.

**16. Contract liabilities**

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Contract liabilities*		
- Deferred revenue	1,536.79	2,112.92
- Advances from customers	10,101.85	8,489.69
<b>Total</b>	<b>11,638.64</b>	<b>10,602.61</b>
Current	11,638.64	10,602.61
Non-current	-	-

\*The contract liabilities outstanding at the beginning of the year primarily has been recognised as revenue subsequently.

**17. Provisions**

Particulars	As at	As at
	March 31, 2024	March 31, 2023
<b>Provision for employee benefits</b>		
Compensated absences	147.92	137.00
<b>Other provision</b>		
Anticipated loss on contract	19.83	0.48
<b>Total</b>	<b>167.75</b>	<b>137.48</b>
Current	167.75	137.48
Non-current	-	-

**Information about individual provisions and significant estimates**

A provision is recognised for certain contracts with suppliers for which the unavoidable costs of meeting the obligations exceed the economic benefits expected to be received. It is anticipated that these costs will be incurred in the next financial year.

Loss order is provided for the contracts where the Company expects to incur a loss. The table below gives information about movement in provision for anticipated loss on contracts. For further details.

**Movements in provisions**

Particulars	Amount (Rs.)
Balance as at April 01, 2022	11.97
Charged to profit or loss	0.48
Utilised during year	(11.97)
<b>Balance as at March 31, 2023</b>	<b>0.48</b>
Charged to profit or loss	19.83
Utilised during year	(0.48)
<b>Balance as at March 31, 2024</b>	<b>19.83</b>

**18: Other current liabilities**

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Statutory dues payable	622.43	891.59
Interest payable on statutory dues	315.45	315.55
<b>Total</b>	<b>937.88</b>	<b>1,207.14</b>



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**19: Revenue from operations**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Revenue from contracts with customers</b>		
Revenue from Pre-engineered building contracts	97,858.70	98,613.68
Sale of products		
- Building materials	29,749.61	12,043.40
Other operating revenue		
- Scrap sales	1,548.87	1,655.47
- Other services	172.98	80.05
<b>Total</b>	<b>1,29,330.16</b>	<b>1,12,392.60</b>

**Disaggregated revenue information**

Set out below is the disaggregation of the Company's revenue from contracts with customers:

Building materials:

Metal ceilings and corrugated roofing	6,670.07	2,879.56
Steel structure	21,641.96	8,211.04
Light gauge framing systems	193.41	42.83
Other items	1,244.17	909.97
	<u>29,749.61</u>	<u>12,043.40</u>

Pre-engineered building	97,858.70	98,613.68
Others	1,721.85	1,735.52
<b>Total revenue from contracts with customers*</b>	<b>1,29,330.16</b>	<b>1,12,392.60</b>

\* includes amount of Rs. 188.30 lakhs from outside India (March 31, 2023: Rs. 27.65 lakhs)

**Timing of revenue recognition**

Goods transferred at a point in time	31,298.48	13,698.87
Pre-engineered building contracts and other services transferred over time	98,031.68	98,693.73
<b>Total revenue from contracts with customers</b>	<b>1,29,330.16</b>	<b>1,12,392.60</b>

Contract balances	As at March 31, 2024	As at March 31, 2023
Trade receivables (refer note 7(b)(i))	21,888.45	19,707.79
Contract assets (refer note 7(b)(ii))	3,525.20	2,792.94
Contract liabilities (refer note 16)	11,638.64	10,602.61

Refer note 7(b)(i) and note 16 for details on trade receivables and Contract liabilities respectively.

Contract asset is recognised when there is excess of revenue earned over billings on contracts with customers.

Right of return assets and refund liabilities are not present in contracts with customers.

**19.1 Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price:**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue as per contracted price	1,29,304.48	1,14,164.61
<b>Adjustments:</b>		
- Escalation / (Deescalation) amount	25.68	(1,772.01)
<b>Revenue from contract with customers</b>	<b>1,29,330.16</b>	<b>1,12,392.60</b>

**19.2 Performance obligation**

Please refer note 2(iv) in accounting policies for performance obligation in relation to revenue from contracts with customers.

**20: Other income**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest income:		
Bank deposits	967.97	564.95
Income tax refund	-	2.31
Others	14.83	6.86
Rental income on:		
Investment properties	136.88	135.39
Others	30.10	18.00
Provision for doubtful debts/ advances written back (net)	-	448.68
Bad debts recovered	79.13	50.70
Net gain on disposal of property, plant and equipment	12.83	10.88
Net gain on sale of investment properties	-	6.19
Fair value gain on financial instruments at fair value through profit or loss (Unrealised)	35.39	1.03
Gain on lease modification	22.68	-
Government grants	1.47	1.47
<b>Total</b>	<b>1,301.28</b>	<b>1,246.46</b>





**21: Cost of raw materials and components consumed**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Inventory at the beginning of the year	8,966.29	9,713.75
Add: Purchases during the year	83,731.81	73,708.71
Add: Creation / (Reversal) of provision for anticipated loss on contracts	19.35	(11.49)
Less: Captive consumption	(428.80)	(171.15)
Less: Inventory at the end of the year	(9,384.82)	(8,966.29)
<b>Total</b>	<b>82,903.83</b>	<b>74,273.53</b>

**22: Change in inventories of finished goods and work-in-progress**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Inventories at the beginning of the year</b>		
Finished goods	19.02	19.56
Semi finished goods	2,383.27	1,904.67
Work in progress	2,021.34	1,496.37
Scrap	35.63	13.47
<b>Total inventories at the beginning of the year (A)</b>	<b>4,459.26</b>	<b>3,434.07</b>
<b>Inventories at the end of the year</b>		
Finished goods	25.87	19.02
Semi finished goods	2,521.51	2,383.27
Work in progress	2,396.33	2,021.34
Scrap	43.28	35.63
<b>Total inventories at the end of the year (B)</b>	<b>4,986.99</b>	<b>4,455.26</b>
<b>(Increase) in inventories (A-B)</b>	<b>(527.73)</b>	<b>(1,025.19)</b>

**23: Employee benefits expense**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, wages, allowances and bonus	10,180.83	8,001.98
Contribution to provident and other funds	786.49	626.97
Gratuity expenses (refer note 33)	357.74	342.25
Staff welfare expenses	571.76	365.10
<b>Total</b>	<b>11,896.82</b>	<b>9,336.30</b>

**24: Finance costs**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest expenses:		
- cash credit from banks and vehicle	22.98	30.37
- income tax	0.42	18.76
- lease liabilities	56.96	61.84
- others	0.19	9.66
Guarantee charges*	1.19	0.57
Other finance cost	134.50	138.42
<b>Total</b>	<b>216.24</b>	<b>259.62</b>

\* includes fair value of guarantee charges of Rs. 1.19 lakhs (March 31, 2023: Rs. 0.57 lakhs).

**25: Depreciation and amortization expense**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation on property, plant and equipment (refer note 3)	635.79	572.29
Depreciation on investment properties (refer note 4)	6.82	6.88
Amortization of intangible assets (refer note 5)	8.03	9.71
Depreciation of right-of-use assets (refer note 6)	147.01	140.74
<b>Total</b>	<b>797.65</b>	<b>729.62</b>



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**26: Other expenses**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Job work and installation charges	13,520.84	11,300.23
Equipment hire and site charges (including insurance of sites amounting to Rs. 79.63 lakhs (previous year Rs. 30.15 lakhs))	354.34	324.05
Consumption of stores, spares and packing materials	2,625.00	2,063.91
Power and fuel	802.21	645.95
Freight and forwarding charges	3,387.54	2,178.60
Rates and taxes	66.56	24.52
Insurance	43.95	37.61
Repairs and maintenance:		
- Plant and machinery	61.74	61.48
- Building	109.22	102.07
- Others	218.60	175.57
Expenditure on corporate social responsibility (refer note below)	103.00	65.65
Advertising and sales promotion	80.40	53.08
Commission to agents (other than of selling agents)	5.64	3.42
Travelling and conveyance	565.61	497.04
Communication costs	49.95	40.43
Printing and stationery	71.12	67.32
Legal and professional fees	570.61	562.61
Payments to auditors (refer note below)	59.26	40.69
Net loss on foreign currency transactions	1.16	9.00
Rent (refer note 34)	62.83	54.40
Allowance for doubtful debts and advances	122.65	-
Bad debts/advances written off (net)	6.10	814.84
Less: Provision for doubtful debts net adjusted out of above	-	-556.47
Donation	0.23	0.29
Testing expenses	16.59	20.89
Bank charges*	684.70	431.94
Security service expenses	91.95	91.82
Miscellaneous expenses**	73.95	58.97
<b>Total</b>	<b>23,755.75</b>	<b>19,169.91</b>

\* includes fair value of guarantee charges of Rs. 227.23 lakhs (March 31, 2023: Rs. 41.77 lakhs) recorded for guarantee issued by promoter directors and Interarch for fund and non fund based limit. The corresponding impact is recorded as an adjustment to equity. (Refer note 36(C)(b))

\*\* Does not include any item of expenditure with a value of more than 1% of the revenue from operations.

**Notes:**

**Payments to auditors**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
As auditor:		
Audit fees	54.47	38.00
Certification Service	3.09	-
Reimbursement of out of pocket expense	1.70	2.69
<b>Total</b>	<b>59.26</b>	<b>40.69</b>

**Corporate Social Responsibility:**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	
a. Gross amount required to be spent by the Company during the year	103.00	65.65	
b. Total of previous year (shortfall)/excess amount	-	-	
c. Amount approved by the Board/required to be spent during the year	103.00	65.65	
<b>d. Amount spent during the year ended on March 31, 2024:</b>	<b>In cash</b>	<b>Yet to be paid in cash</b>	<b>Total</b>
i. Construction/acquisition of any asset	-	-	-
ii. On purposes other than (i) above*	103.00	-	103.00
<b>e. Amount spent during the year ended on March 31, 2023:</b>			
i. Construction/acquisition of any asset	-	-	-
ii. On purposes other than (i) above*	65.65	-	65.65
* Following are the nature of activities:			
(a) Helping in setting up clinics and providing education for women and children.			
(b) Promoting all activities for physical, cultural, and social uplifting of the general public.			

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**27. Derivative instruments**

The Company does not use derivative instruments such as forward exchange contracts to hedge its risk associated with foreign currency fluctuations.

**28:** Pending Receipt of Appeal effect order for assessment year 2009-10 where the appeal has been decided in favour of the Company by ITAT. Interest on income tax refund has not been recognised there of as the amount is not presently reasonably determinable. Interest income on such refund shall be recognised in the year appeal effect order is received from Income tax authorities.

**29.** During the year ended March 31, 2022, one of the plants of the Company in Uttarakhand, Pantnagar Plant witnessed some labour unrest, where the workmen resorted to deliberate "Go Slow production" resulting in fall in the production at Pantnagar Plant. The management of the Company did tripartite conciliation meetings with the jurisdictional Assistant Labour Commissioner Pantnagar. However no agreement could be made due to the adamant attitude of worker Union Representatives. The Company had to declare Partial Lock Out as per the provisions of Section 6 (S) of the UP Industrial Dispute Act, 1948 on March 16, 2022 which got lifted on July 06, 2022 (' Lock out period') and the Pantnagar Plant started to function normal since then. The Production loss in the Pantnagar Plant during the Lockout period was covered by the increasing the production in other plants and engaging some outside job workers.

During the year ended March 31, 2023, the Labour Secretary (Ministry of Labour and employment , Government of Uttarakhand ) declared the lock out Illegal, and the Company has also received a demand of Rs. 184.95 lakhs from Asstt. Labour Commissioner , Pantnagar ('ALC'), towards the wages of workers during the lockout period . The Company has challenged the labour secretary order and demand raised by ALC and filed a writ petition before the Hon'ble High Court, Uttarakhand. The Hon'ble High Court has granted stay on the demand raised and the above matter is still pending to be adjudicated. In regard to the above matter, the Company, based on the advice of its legal counsel, believes that there is no probable cash outflow in this regard.

During the year ended March 31, 2023, 428 workers which were part of labour union went on strike in Pant Nagar and Kichha plants w.e.f. September 6, 2022 which continued till December 15, 2022 and the labour union reached an agreement between the Company and labour union, which was signed.

In the said agreement it was agreed that the Company will provide increment to the striking workers w.e.f. January 01, 2023 instead of July 01, 2022. The same will be payable in July 2023 as an arrear and workers agreed that they will not demand increment for earlier months i.e., July 2022 to December 2022. The same is paid during the current year with arrear.

Production in these units have resumed with full vigour. Production loss during the strike period was managed with increasing production in other unit and by outsourcing the production to job workers.

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**30: Income Tax**

The major component of income tax expense for the year ended March 31, 2024 and March 31, 2023 are:

**Statement of Profit and Loss**

Profit or loss section:	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Current income tax:</b>		
Current income tax charge	2,989.22	2,323.44
Adjustment of income tax relating to earlier year	(7.16)	52.89
<b>Deferred tax charge / (credit):</b>		
Relating to origination and reversal of temporary differences *	(19.38)	372.70
<b>Income Tax expense reported in the Statement of Profit and Loss</b>	<b>2,962.68</b>	<b>2,749.03</b>
* including charge/(credit) of Rs. Nil (March 31, 2023: Rs. (47.39) lakhs) in respect of earlier years		
<b>OCI section:</b>		
Deferred tax related to items recognised in OCI during the year:		
	For the year ended March 31, 2024	For the year ended March 31, 2023
Remeasurements gain/(loss) on defined benefit liability	2.71	(31.14)
<b>Income tax charged to OCI - charge/(credit)</b>	<b>2.71</b>	<b>(31.14)</b>

**Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2024 and March 31, 2023.**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Accounting profit before tax	11,588.88	10,895.27
At statutory income tax rate of 25.168% (March 31, 2022: 25.168%)	2,916.69	2,742.12
Adjustments in respect of current income tax of earlier years	(7.16)	52.89
Adjustments in respect of deferred income tax of earlier years	-	(47.39)
Proceeds from sale of investment property	-	(1.56)
<b>Tax effect of expenses that are not deductible in determining taxable profit:</b>		
Fair value of guarantee charges	57.49	10.66
Others (permanent differences)	(4.34)	(7.69)
<b>At effective income tax rate of 25.56% (Previous year: 25.23%)</b>	<b>2,962.68</b>	<b>2,749.03</b>
Income tax expense reported in the Statement of Profit and Loss	2,962.68	2,749.03

**Deferred tax**

Deferred tax relates to the following	Balance Sheet		Statement of Profit and Loss	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>Deferred tax liabilities</b>				
Property, plant and equipment, intangible assets and investment properties	(1,112.95)	(1,089.94)	23.01	21.15
Right of use assets- Leasehold land	(729.11)	(762.40)	(33.29)	(28.88)
Right of use assets- Others	(70.99)	(149.53)	(78.54)	40.87
Others	(9.16)	-	9.16	(6.27)
<b>Total deferred tax liability (A)</b>	<b>(1,922.21)</b>	<b>(2,001.87)</b>	<b>(79.66)</b>	<b>26.87</b>
<b>Deferred tax assets</b>				
Lease liabilities	80.10	159.67	79.57	(46.77)
Allowances for credit losses	237.22	206.35	(30.87)	252.97
Disallowance under section 145A	470.06	420.82	(49.24)	44.52
Effect of expenditure debited to the statement of profit and loss in the current year/earlier years but allowable for tax purposes on payment basis	556.56	624.84	68.28	60.03
Others	6.47	1.72	(4.75)	3.94
<b>Total deferred tax liability (B)</b>	<b>1,350.41</b>	<b>1,413.40</b>	<b>62.99</b>	<b>314.69</b>
<b>Deferred tax assets/(liability) (Net) (A + B)</b>	<b>(571.80)</b>	<b>(588.47)</b>	<b>(16.67)</b>	<b>341.56</b>

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

**Reconciliation of deferred tax liabilities (net)**

	As at March 31, 2024	As at March 31, 2023
<b>Opening balance</b>	(588.47)	(246.91)
Tax income/(expense) during the year recognised in profit or loss	19.38	(372.70)
Tax income/(expense) during the year recognised in OCI	(2.71)	31.14
<b>Closing balance</b>	<b>(571.80)</b>	<b>(588.47)</b>



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**31: Earnings per share (EPS)**

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following table reflects the income and share data used in the basic and diluted EPS computations:

Particulars	For the year ended	For the year ended
	March 31, 2024	March 31, 2023
Profit attributable to equity holders	8,626.20	8,146.24
Weighted average number of equity shares in calculating basic and diluted EPS:	1,47,00,258	1,50,00,600
Basic and diluted earnings per equity share (in Rs.)	58.68	54.31

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### 32: Significant accounting judgements , estimates and assumptions

The preparation of the Company's Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Other disclosures relating to the Company's exposure to risks and uncertainties includes:

- Capital management (refer note 41)
- Financial risk management objectives and policies (refer note 40)
- Sensitivity analyses disclosures (refer notes 33 and 40)

#### Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the Financial Statements:

##### Determining the lease term of contracts with renewal and termination options – Company as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

The Company included the renewal period as part of the lease term for leases with related party, since there exist economic incentive for the Company to continue using the leased premises and it does not foresee non renewal of the lease term for future periods. Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

Refer to note 43 for information on potential future rental payments.

##### Property lease classification – Company as lessor

The Company has entered into leases on its investment property. The Company has retained substantially all the risks and rewards incidental to ownership of these properties and accounts for the contracts as operating leases.

##### Revenue from contracts with customers

The Company applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

##### Uncertainty on the Estimation of the Total Construction Revenue and Total Construction Cost:

The Company recognises revenue from the construction contracts over the period of contract as per the input method of IND AS 115 "Revenue from contracts with the customers". The contract revenue is determined based on proportion of contract cost incurred to date compared to estimated total contract cost which involves significant judgement, identification of contractual obligations, and the Company's right to receive payments for performance completed till date, risk on collectability due to liquidation damages and other penalties imposed by the customers, change in scope and consequential revised contract price and recognition of the liability for loss making contracts/ onerous obligations etc. The Company has efficient, coordinated system for calculation and forecasting its revenue and expense reporting. However actual project outcome may deviate positively or negatively from the Company's calculation and forecasting which could impact the revenue recognition up to the stage of project completion and is recognised prospectively in the Financial Statements

##### Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the Financial Statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

##### Useful Lives of Property, Plant and Equipment

The Company uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by the management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets.



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**Fair value of Investment properties**

The Company disclose fair value of investment properties. The Company engaged an accredited independent valuer to assess fair value for reporting year at March 31, 2023 and March 31, 2024. The valuation techniques and key inputs used to determine fair value of the assets are provided in note 4.

**Approaches used in Valuation Methodology for fair valuation of property, plant and equipment, right to use assets and investment properties:**

Market Approach

Under this method the recent sales and listings of comparable assets are gathered. Adjustments are then applied to these observations for differences in location, time of sale, and physical characteristics between the subject assets and the comparable assets, to estimate a fair market value for the subject assets.

The comparative analysis performed in this approach focuses on similarities and differences among assets and transactions that affect value including differences in the assets appraised the motivations of buyers and sellers, market conditions at the time of sale, size, location, physical features and economic characteristics. Elements of comparison are tested against market evidence to determine which elements are sensitive to change and how they affect value.

Cost Approach

Under replacement cost method, this is normally the cost of replacing the property with a modern equivalent at the relevant valuation date. An exception is where an equivalent property would need to be a replica of the subject property in order to provide a participant with the same utility, in which case the replacement cost would be that of reproducing or replicating the subject building rather than replacing it with a modern equivalent. The replacement cost reflects all incidental costs, as appropriate, such as the value of the land, infrastructure, design fees, finance costs and developer profit that would be incurred by a participant in creating an equivalent asset.

**Provision for expected credit losses of trade receivables and contract assets**

The Company makes provision of expected credit losses on trade receivables using a provision matrix. The provision matrix is based on its historical observed default rates, adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and the Company makes appropriate provision wherever outstanding is for longer period and involves higher risk.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Company's trade receivables and contract assets is disclosed in Note 40.

**Taxes**

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Further details on taxes are disclosed in Note 30.

**Defined benefit plans (Gratuity benefits)**

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation. The underlying bonds are further reviewed for quality. Those having excessive credit spreads are excluded from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality corporate bonds.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Further details about gratuity obligations are given in Note 33.

**Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note 38 and 39 for further disclosures.

**Leases - Estimating the incremental borrowing rate**

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available.



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**33. Employee defined benefit obligation (net)**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Non- current</b>		
Gratuity-Non current	111.20	906.38
<b>Total</b>	<b>111.20</b>	<b>906.38</b>
<b>Current</b>		
Gratuity	1,194.98	800.00
<b>Total</b>	<b>1,194.98</b>	<b>800.00</b>

The Company has a defined benefit gratuity plan. Every employee who has completed five or more years of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service or part thereof in excess of 6 months, as per the provisions of Payment of Gratuity Act, 1972. Earlier the plan was unfunded. The Company has set up a Gratuity Fund on February 02, 2023 for providing benefits to employees and certain sum will be contributed by the Company to the fund from time to time. The fund has been created in the form of a trust and it is governed by the board of trustees. The trustee entered into a Group Gratuity Scheme with insurer and premium paid therefore by the Company will be considered as contribution to the fund.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and amounts recognised in the balance sheet for the gratuity plan:

**a) Gratuity**

**Changes in the defined benefit obligation as at March 31, 2024:**

Particulars	For the year ended March 31, 2024			For the year ended March 31, 2023		
	Defined benefit obligation	Fair value of plan assets	Benefit liability	Defined benefit obligation	Fair value of plan assets	Benefit liability
Balance at the beginning of the year	(2,411.66)	705.28	(1,706.38)	(2,129.20)	-	(2,129.20)
<i>Cost charged to profit and loss</i>						
Service Cost	(231.81)	-	(231.81)	(193.46)	-	(193.46)
Net Interest (expense)/Income	(177.98)	52.05	(125.93)	(152.98)	4.19	(148.79)
<b>Sub-total included in profit and loss (refer note 23)</b>	<b>(409.79)</b>	<b>52.05</b>	<b>(357.74)</b>	<b>(346.44)</b>	<b>4.19</b>	<b>(342.25)</b>
Benefits Paid	131.43	(84.26)	47.17	186.70	-	186.70
<i>Remeasurement gains/(losses) in other comprehensive income</i>						
Return on plan asset (excluding amounts included in net interest expense)	-	0.76	0.76	-	(0.91)	(0.91)
Actuarial changes arising from changes in financial assumptions	(42.21)	-	(42.21)	(184.06)	-	(184.06)
Experience adjustments	52.22	-	52.22	61.34	-	61.34
<b>Sub-total included in OCI</b>	<b>10.01</b>	<b>0.76</b>	<b>10.77</b>	<b>(122.72)</b>	<b>(0.91)</b>	<b>(123.63)</b>
Contributions by employer	-	700.00	700.00	-	702.00	702.00
<b>Balance at the end of the year</b>	<b>(2,680.01)</b>	<b>1,373.83</b>	<b>(1,306.18)</b>	<b>(2,411.66)</b>	<b>705.28</b>	<b>(1,706.38)</b>

The plan assets are managed by the Gratuity Trust formed by the Company. The management of 100% of the funds is entrusted according to norms of Gratuity Trust, whose pattern of investment is available with the Company.

Investment Risk – If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability

The major categories of plan assets of the fair value of the total plan assets are as follows:

Investment funds	March 31, 2024		March 31, 2023	
	Amount	%	Amount	%
ICICI Prudential Life Insurance	742.32	54.03%	503.28	71.36%
Future General India Life Insurance Company Limited	631.52	45.97%	200.00	28.36%
Cash and cash equivalent	-	0.00%	2.00	0.28%

The principal assumptions used in determining net employee defined benefit liabilities are shown below:

Particulars	March 31, 2024 %	March 31, 2023 %
i) Discounting Rate	7.22	7.38
ii) Future Salary increase	7.00	7.00
iii) Retirement Age (years)	58.00	58.00
iv) Mortality Table	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
v) Attrition at Ages		
-Upto 30 years	3.00	3.00
-From 31 to 44 years	2.00	2.00
-Above 44 years	1.00	1.00

The Company has ceiling limit of Rs. 20.00 lakhs aligned with Payment of Gratuity Act, 1972.



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A quantitative sensitivity analysis for significant assumption as at March 31, 2024 is as shown below:

Assumptions	March 31, 2024		March 31, 2024	
	Discount Rate		Future salary increases	
Sensitivity level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
<b>Impact on defined benefit obligation</b>	(131.54)	142.09	131.28	(124.11)

  

Assumptions	March 31, 2023		March 31, 2023	
	Discount Rate		Future salary increases	
Sensitivity level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
<b>Impact on defined benefit obligation</b>	(124.07)	134.30	125.79	(118.24)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting year. The sensitivity analysis are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analysis may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

**The following are the maturity profile of defined benefit obligation**

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Within the next 12 months (next annual reporting year)	228.16	194.09
Between 2 and 5 years	451.14	364.37
above 5 years	2,000.71	1,853.20
<b>Total expected payments</b>	<b>2,680.01</b>	<b>2,411.66</b>

The average duration of the defined benefit plan obligation at the end of the reporting year is 16.21 years ( March 31, 2023: 15.69 years).

**b) Defined contribution plans**

The Company also has certain defined contribution plans. Contributions are made to provident fund, employee pension scheme and employee's state insurance scheme for employees as per regulations. The contributions are made to registered funds administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual or any constructive obligation. The expense recognised during the year towards defined contribution plan is Rs 736.99 lakhs (March 31, 2023: Rs 586.45 lakhs).

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September, 2020. The Code has been published in the Gazette of India. Certain sections of the code came into effect on 3 May 2023. However, the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when final rules/interpretation it comes into effect and will record any related impact in the year when the Code becomes effective.

**34: Leases**

**Company as a Lessee**

The Company has lease contracts for various items of offices, residences, lands and equipment/ machinery used in its operations. Lease of plant and machinery have lease tenure of 8 years, buildings have lease terms of 10 years except one lease which is maturing on July 31, 2024 (refer note 6), while land have lease term of 90/99 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. There are several lease contracts that include extension and termination options, which are further discussed below.

The Company also has certain leases of buildings with lease terms of 12 months or less or with low value and certain leases of equipment/ machinery with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

Particulars	Land	Buildings	Plant and equipment	Total
<b>As at April 01, 2022</b>	4,829.18	403.09	28.64	5,260.91
Modification (refer note 6)	-	237.42	-	237.42
Depreciation expense	(65.72)	(71.17)	(3.86)	(140.75)
<b>As at March 31, 2023</b>	<b>4,763.46</b>	<b>569.34</b>	<b>24.78</b>	<b>5,357.58</b>
Additions (refer note 6)	680.08	-	-	680.08
Modification (refer note 6)	-	(237.04)	-	(237.04)
Depreciation expense	(71.98)	(71.17)	(3.86)	(147.01)
<b>As at March 31, 2024</b>	<b>5,371.56</b>	<b>261.13</b>	<b>20.92</b>	<b>5,653.61</b>





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Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	As at	As at
	March 31, 2024	March 31, 2023
<b>Opening Balance</b>	634.44	448.57
Modification (refer note 6)	(259.72)	237.42
Accretion of interest	56.96	61.84
Payments	(113.41)	(113.39)
<b>Closing Balance</b>	<b>318.27</b>	<b>634.44</b>
Non - Current	267.76	577.74
Current	50.51	56.70

The maturity analysis of lease liabilities is disclosed in Note 40.

The effective interest rate for lease liabilities is 9.50 % with maturity between 2030-2031 and except one lease which is maturing on July 31, 2024 (refer note 6).

The following are the amounts recognised in profit and loss account:

Particulars	For the year ended	For the year ended
	March 31, 2024	March 31, 2023
Depreciation expense of right-of-use assets	147.01	140.74
Interest expense on lease liabilities	56.96	61.84
Expense relating to short-term leases & leases of low-value assets (included in other expenses)	62.83	54.40
<b>Total amount recognised in profit and loss</b>	<b>266.80</b>	<b>256.98</b>

The Company had total cash outflows for leases of Rs 113.41 lakhs (including interest of Rs 56.96 lakhs) (March 31, 2023: Rs. 113.39 lakhs (including interest payment of Rs. 61.84 lakhs)). The Company also had non-cash modification to right-of-use assets of Rs. (237.04) lakhs (March 31, 2023 Rs 237.42 lakhs) and lease liabilities of Rs. (259.72) lakhs (March 31, 2023 Rs. 237.42)

The Company has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

**Company as a Lessor**

*Commercial property given on operating lease:*

The Company has entered into operating lease agreement for leasing a part of the factory at Greater Noida (Uttar Pradesh) (sub-lease agreement), set up on leasehold land as an investment property. The lease term for factory at Greater Noida was for 9 years, with an escalation clause of 15% after completion of every 3 years along with non-cancellable lease period of first 3 years. The lease term for the period of 9 years completed on April 30, 2021 and the Company extended the lease period for one year w.e.f May 01, 2021 to April 30, 2022, without rent escalation. The lease term for the period of 1 year completed on April 30, 2022 and the Company renew the lease period for three year w.e.f May 01, 2022 to April 30, 2025 with a cancellable clause which can be exercised by either party. The rental income in respect of such leases recognized in the statement of profit and loss is 136.88 lakhs (March 31, 2023: Rs. 135.39 lakhs).

*Equipments given on operating lease:*

The Company has entered into operating lease agreement for leasing its equipment for a short term period. The rental income in respect of such leases recognized in the statement of profit and loss is Rs. 30.10 Lakhs (March 31, 2023: Rs. 18.00 Lakhs).

**35: Commitments and Contingent liabilities**

**a) Commitments**

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) : Rs. 2,170.71 lakhs (March 31, 2023: Rs. 1,404.14 lakhs).

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**b) Contingent liabilities:**

Particulars	As at March 31, 2024	As at March 31, 2023
i) Demands received from Sales tax/ GST authorities*	2,057.39	442.35
ii) Demands raised by Income tax authorities being disputed by the Company for AY 2006-07 & AY 2020-21	131.46	131.46
iii) Service tax demand**	Nil	Liability not ascertainable
iv) Outstanding bank guarantees by the Company	8,677.24	6,461.32
v) Demand raised by the Director of Town & Country Planning, Chennai, towards Infrastructure and Amenities charges with respect to Industrial Building approval (including interest). The Company has deposited Rs. 7.00 Lakhs (March 31, 2023: Rs 7.00 Lakhs) against the demand which is included in the 'Balances with Statutory/Government Authorities' under note 9 to the Financial Statements.	25.58	24.55
vi) Recovery suit filed by a vendor (including interest)	176.66	163.11
vii) Pending labour cases	Liability not ascertainable	Liability not ascertainable
viii) Demand raised by Asstt. Labour Commissioner, Pantnagar ('ALC'), towards the wages of workers during the lockout period (refer note 29)	184.95	184.95
ix) Demand raised by Pondur Panchayat towards non payment of House Tax for the year 2010-11 to 2022-23	13.92	13.92
x) Demand received from Regional P.F. Commissioner, Haldwani towards assessment of PF dues related to job workers involved/engaged in job work by the Company or job work contractors, in connection with the work of the Company. The Company has filed an appeal to Central Government Industrial Tribunal (CGIT)-cum-Labour Court, Lucknow and the same is pending before the authority. The Company has deposited Rs. 3.42 lakhs (March 31, 2023: Rs. 3.42 lakhs) against the demand which is included in the Balances with statutory/government authorities under note 9 to the Financial Statements.	34.26	34.26

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\*Brief description of liabilities for (i) above:

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Demand received from Goa Sales Tax authorities towards higher duty on account of wrong classification of goods for FY 2001-02 (including penalty and interest). The Company has filed appeal with Bombay High Court at Goa.	44.04	44.04
(b) Demand received from West Bengal Sales Tax authorities towards non production of documents in support of VAT return for FY 2007-08 to FY 2009-10. The Company has made appeal before Senior Joint Commissioner, Kolkata.	312.06	312.06
(c) Demand received from Delhi VAT Authorities on non submission of commercial tax Form F regards to inter-state sales for the AY 2010-11 (including interest).	1.38	1.38
(d) Demand received from Commercial Tax Department, Jamshedpur towards short payment of VAT for the FY 2009-10 on the amount of labour charges disallowed (including interest). The Company has deposited Rs. 0.40 lakh (March 31, 2023: Rs. 0.40 lakh) against the demand which is included in the 'Balances with Statutory/Government Authorities' (refer note 9 to the Financial Statements).	0.40	0.40
(e) Demand received from Commercial Tax Department, Jharkhand towards short payment of VAT for the FY 2008-09 on the amount of labour charges disallowed (including interest). The Company has deposited Rs. 1.75 lakh (March 31, 2023: Rs. 1.75 lakh) against the demand which is included in the 'Balance with statutory/government Authorities' (refer note 9 to the Financial Statements).	17.51	17.51
(f) Demand of penalty raised by the sales tax authority towards detention of vehicle. The Company has deposited Rs. 3.46 lakhs (March 31, 2023: Rs. 3.46 lakhs) against the demand which was included in the 'Balances with statutory/government Authorities' (refer note 9 to the Financial Statements) till year end March 31, 2022. The Company has written off this deposited amount during the year ended March 31, 2023.	-	-
(g) Demand received from Deputy commissioner of Commercial Taxes, Government of Karnataka for the FY 2012-13 on account of taxability @14.5% instead of 5% on Work contract tax amounting to Rs. 707.42 Lakhs (March 31, 2023: Rs. 707.42 Lakhs). The Company filed writ petition in High Court which allowed and asked Deputy Commissioner to verify the documents. However, Deputy Commissioner again passed the order raising demand amounting to Rs. 726.93 Lakhs (March 31, 2023: Rs. 726.93 Lakhs). The Company again filed the writ petition against the order passed by Deputy Commissioner. The High Court, Karnataka vide its order dated March 09, 2023, quashed the earlier order giving liberty to Deputy Commissioner to compute the tax demand on turnover at the special rate. The Deputy Commissioner, on the direction of High Court, Karnataka, passed an order dated 27.11.2023 in favour of the Company.	Nil	Liability not ascertainable
(h) Demand on account of Vehicle Detention at Uttarakhand. The matter is pending with statutory authorities The Company has deposited Rs. 2.47 lakhs (March 31, 2023: Rs 2.47 lakhs ) against the demand which is included in the 'Balances with Statutory/Government Authorities' (refer note 9 to the Financial Statements).	2.47	2.47
(i) Demand received from Uttarakhand GST on account of E-way bill not attached with invoice copy at time vehicle checking. The Company has deposited Rs. 1.09 lakhs (March 31, 2023: Rs 1.09 lakhs) against the demand which is included in the 'Balances with Statutory/Government Authorities' (refer note 9 to the Financial Statements).	1.09	1.09
(j) Demand on account of Vehicle Detention at Uttar Pradesh. The matter is pending with statutory authorities The Company has deposited Rs. 1.44 lakhs (March 31, 2023: Rs 1.44 lakhs) against the demand which is included in the 'Balances with Statutory/Government Authorities' (refer note 9 to the Financial Statements).	1.44	1.44
(k) Demand on account of Vehicle Detention at Utrkhand. The matter is pending with statutory authorities The Company has deposited Rs. 1.62 lakhs (March 31, 2023: Rs. 1.62 lakhs) against the demand which is included in the 'Balances with Statutory/Government Authorities' under note 9 to the Financial Statements).	1.62	1.62
(l) Demand received from GST authorities on account of disallowance of Input tax credit ('ITC') (including penalty and interest) for FY 2017-18 to FY 2021-22. The Company has deposited Rs. 13.97 lakhs (March 31, 2023: Nil) against the demand which is included in the 'Balances with Statutory/Government Authorities' under note 9 to the Financial Statements).	1,615.04	-
(m) Demand received from Deputy Commissioner of Commercial Taxes, Jharkhand on account of disallowance of VAT for FY 2016-17 . The Company has made appeal before Joint Commissioner of Commercial Taxes, Jharkhand.	60.34	60.34
<b>Total</b>	<b>2,057.39</b>	<b>442.35</b>

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\*\*Brief description of liabilities for (iii) above:

Particulars	As at March 31, 2024	As at March 31, 2023
<p>(a) The Company during the earlier years received a demand, wherein the service tax authorities alleged that the services provided by the Company are not classifiable under the service category of 'Commercial and industrial construction service' after the introduction of new entry of 'Works contract service' in Finance Act 1994 on June 1 2007 and alleged that the Company is required to pay Service Tax under the service category of 'Works contract service' since June 1 2007 and the cenvat credit availed by it on inputs used should not be admissible. The demand notice issued by the authorities required the Company to opt for composite WCT category of 2% and 4%, whereas Company had already paid full service tax @ 12.36% without prejudice to Company's rights. The Company had filed an appeal before the Hon'ble Customs, Central Excise and Service tax Appellate Tribunal (CESTAT). CESTAT had during the earlier year, remanded back the matter to the adjudicating authority for re-determining the tax liability. During the earlier year, the Company received a readjudicated demand order from the service tax authorities, upholding the basis of demand earlier raised. The Company had filed an appeal before the CESTAT, Allahabad Bench. In earlier year, the Company won the appeal. However, in earlier year the Department went into appeal before Supreme Court.</p> <p>The Hon'ble Supreme Court heard the appeal of Service Tax Authorities and issued its Order on May 02, 2023. The Supreme Court has remanded back the case to CESTAT to re-compute the demand in terms of Rule 2A, which requires service tax liability to be calculated only on the service portion of the Contract.</p> <p>The CESTAT on the directions of the Supreme Court, reassessed the order dated March 31, 2017 passed by the Commissioner, Service Tax, Noida. The CESTAT set aside the order passed by the Commissioner, Noida and concluded the matter in favour of the Company vide its order dated September 29, 2023.</p> <p>The Details of demands amount is as under.</p> <p>(i) Wrong availment of CENVAT credit on inputs amounting to Rs. 11,174.00 lakhs;</p> <p>(ii) Short payment of Service tax under WCT scheme vis-à-vis Industrial Construction service amounting to Rs. 4,026.40 lakhs (including penalty); and</p> <p>(iii) Excess duty collected and passed on to the clients and is demanded amounting to Rs. 16,872.80 lakhs (including penalty).</p>		Liability not ascertainable
<b>Total</b>	-	

Based on favourable decision in similar cases and legal opinion obtained by the Company in discussions with the solicitors the Company believes that there is a fair chance of decisions in its favour in respect of all the items listed in (i) to (iii) & (v) to (x) above and hence no provision is considered necessary against the same.

There are numerous interpretative issues relating to the Supreme Court (SC) judgement on PF dated February 28, 2019 on the inclusion of allowances for the purpose of PF contribution as well as its applicability of effective date. As a matter of caution, the Company has made a provision on a prospective basis from the date of the SC order. The Company will update its provision, on receiving further clarity on the subject.

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**36: Related party disclosure**

**A. Names of related parties and related party relationship**

**Nature of Relationship**

i) Directors & Key Management Personnel ("KMP")

**Nature of the related parties**

- a) Arvind Nanda, Managing Director  
b) Gautam Suri, Whole Time Director  
c) Ishaan Suri, Non Executive Director  
d) Viraj Nanda, Non Executive Director  
e) Nidhi Goel, Company Secretary and Compliance Officer  
f) Manish Kumar Garg, Chief Executive Officer  
g) Anil Kumar Chandani, Chief Financial Officer (till February 12, 2024)  
h) Dhanpal Arvind Jhaveri, Nominee Director (nominee of OIH Mauritius)  
i) Vishal Sharma, Non Executive Non Independent Director (till March 04, 2024)  
j) Sonali Bhagwati Dalal, Chairperson and Independent Director (w.e.f. January 15, 2024)  
k) Sanjiv Bhasin, Independent Director (w.e.f. January 15, 2024)  
l) Mohit Gujral, Independent Director (w.e.f. January 15, 2024)  
m) Pushpendra Kumar Bansal, Chief Financial Officer (w.e.f. February 12, 2024)

ii) Relatives of Key Managerial Personnel

Shobhna Suri

iii) Entities in which Directors and Key Management Personnel ("KMP") have a significant influence / control with whom Company have made transactions during the reporting years

- a) Intertec  
b) Signu Real Estates LLP  
c) Aries Developers LLP (formerly known as Aries Developers Private Limited)  
d) Taipan Associates Private Limited  
e) Interarch Foundation  
f) Artfoto Advertising LLP (formerly known as Artfoto Studios)  
g) Interarch Employees Group Gratuity Trust  
h) IGS Holding Private Limited

**B. Related Party Transactions:**

The following table provides the total amount of transactions those have been entered into with related parties for the relevant financial year:

Transactions during the year	(Rs. In Lakhs)			
	Key Management Personnel		Entities on which Key Management Personnel ("KMP") have a significant influence / control.	
	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>1. Sale of products</b>				
-Signu Real Estates LLP	-	-	-	0.32
-Taipan Associates Pvt Limited	-	-	5.06	-
<b>2. Lease rent payment</b>				
-Intertec	-	-	57.00	57.00
-Aries Developers LLP (formerly known as Aries Developers Private Limited)	-	-	42.00	42.00
-Signu Real Estates LLP	-	-	9.00	9.00
<b>3. Reimbursement of expenses received by:</b>				
-Intertec	-	-	16.05	4.83
<b>4. Remuneration (refer note (i), (ii) and (iii) below)</b>				
<b>Short-term benefit</b>				
- Arvind Nanda	31.22	32.15	-	-
- Gautam Suri	46.52	48.08	-	-
- Viraj Nanda	16.11	15.70	-	-
- Manish Kumar Garg	166.83	155.83	-	-
- Anil Kumar Chandani	72.19	81.02	-	-
- Nidhi Goel	17.33	15.39	-	-
- Pushpender Kumar Bansal	11.58	-	-	-
<b>Long-term benefit</b>				
- Arvind Nanda	-	-	-	-
- Gautam Suri	-	-	-	-
- Viraj Nanda	(0.66)	0.42	-	-
- Manish Kumar Garg	5.06	4.66	-	-
- Anil Kumar Chandani	2.86	2.30	-	-
- Nidhi Goel	0.90	1.55	-	-
- Pushpender Kumar Bansal	0.29	-	-	-
<b>5. Finance Cost</b>				
- Arvind Nanda	0.19	1.20	-	-
- Gautam Suri	-	6.87	-	-
<b>6. Loan repaid</b>				
- Arvind Nanda	20.00	-	-	-
- Gautam Suri	-	145.00	-	-
<b>7. Corporate Social Responsibilities payment</b>				
- Interarch Foundation	-	-	6.00	13.65
<b>8. Gratuity Contribution</b>				
- Interarch Employees Group Gratuity Trust	-	-	700.00	702.00
<b>9. Advertisement Expenses</b>				
- Artfoto Studios	-	-	13.13	10.20



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<b>10. Buyback of Share (refer note 45)</b>				
-Arvind Nanda	1,275.00	-	-	-
-Gautam Suri	875.00	-	-	-
-Ishaan Suri	400.00	-	-	-
<b>11. Director's Sitting Fees</b>				
-Sonali Bhagwati	2.50			
-Sanjiv Bhasin	3.75			
-Mohit Gujral	3.25			

**C. Related party balances**

a) The following table provides the total amount of balances outstanding (payable/receivable to/from related parties):

Particulars	Key Management Personnel		Entities on which Key Management Personnel ("KMP") have a significant influence / control.	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
<b>1. Short term benefit Payable</b>				
- Arvind Nanda	3.77	2.49	-	-
- Gautam Suri	5.56	3.71	-	-
- Viraj Nanda	1.22	1.53	-	-
- Manish Kumar Garg	-	7.25	-	-
- Anil Kumar Chandani	5.69	4.55	-	-
- Nidhi Goel	2.73	1.61	-	-
- Pushpender Kumar Bansal	5.25	-	-	-
<b>2. Other long term benefit payable</b>				
- Arvind Nanda	20.00	20.00	-	-
- Gautam Suri	20.00	20.00	-	-
- Viraj Nanda	-	0.66	-	-
- Manish Kumar Garg	12.16	7.10	-	-
- Anil Kumar Chandani	7.17	4.31	-	-
- Nidhi Goel	7.81	6.92	-	-
- Pushpender Kumar Bansal	0.29	-	-	-
<b>3. Unsecured borrowings</b>				
- Arvind Nanda	-	20.00	-	-
<b>4. Interest Payable</b>				
- Arvind Nanda	-	0.27	-	-
- Gautam Suri	-	0.53	-	-
<b>5. Security Deposit given</b>				
- Intertec	-	-	18.00	18.00

b) Total facilities/limits (fund and non fund based) from banks are secured by personal guarantee of two promoter directors of the Company viz Mr. Arvind Nanda and Mr. Gautam Suri and Corporate guarantee given by M/s Intertec (Partnership firm). The guarantee charges recognised in statement of profit or loss in regards to such guarantees is Rs. 228.42 lakhs (March 31, 2023: Rs. 42.35 lakhs) and the same has been correspondingly credited to equity. The loan outstanding (Cash credit from banks) against such facilities/limits is Rs. 909.66 lakhs (March 31, 2023: Rs. 948.10 lakhs) (Refer note 14(a)). The outstanding non-fund based limit against such facilities/limits is Rs. 29,226.89 lakhs (March 31, 2023: Rs. 24,322.20 lakhs).

c) Total facilities/limits (fund and non fund based) from banks are secured by way of equitable mortgage on immovable properties situated at: (a) Plot No. B-33, Sector- 57, Noida, Uttar Pradesh (Owned by M/s Intertec (Partnership firm) and (b) Plot No. 28A, Udyog Vihar, Greater Noida, Uttar Pradesh, being immovable properties owned by M/s Intertec (Partnership firm) (Refer note 14(a)).

**Notes:**

- The remuneration to the key managerial personnel includes value of perquisites (excluding rent) based on the actual payment or evaluated as per Income Tax Rule, 1962.
- The remuneration paid to Mr. Arvind Nanda excludes rent of Rs. 42.00 Lakhs (March 31, 2023: Rs. 42.00 Lakhs) paid to M/s Aries Developers Pvt Limited for his residence.
- Remuneration paid to Mr. Gautam Suri excludes rent of Rs. 9.00 Lakhs (March 31, 2023: Rs. 9.00 Lakhs) paid to M/s Signu Real Estate LLP for his residence.
- All related party transactions entered during the year were in ordinary course of business and on arm length basis.





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**37. Segment information**

**Business segment**

The Company's activities are involved in manufacturing, supply, erection and installation of pre-engineered buildings, metal roofing & cladding system and metal false ceilings. Considering the nature of Company's business and operations, there are no separate reportable segments (business and/or geographical) in accordance with the requirements of Ind AS 108 notified under Section 133 of Companies Act, 2013 and hence, there are no additional disclosures to be provided other than those already provided in the Financial Statements.

**Geographical information**

The customers of the Company are located in the India and outside India. Refer note 19 for revenue from customers located outside india.

**Non-current operating assets**

The non-current assets of the Company are located in the country of domicile i.e. India. Hence no specific disclosures have been made.

The Executive Directors, Chief Executive Officer and Chief Financial Officer are the Chief Operating Decision Maker (CODM) and monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment.

Revenue from one customer generating sales of more than 10 % of total revenue as on March 31, 2024: Nil (March 31, 2023: Rs.13,762 lakhs).

**38. Fair Value**

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

The carrying and fair value of financial instruments by categories as at March 31, 2024 were as follows:

Particulars	Amortised Cost	Financial Assets / liabilities at fair value through statement of profit and loss	Financial Assets/liabilities at fair value through OCI	Carrying Value	Fair Value
<b>Assets:</b>					
<b>Current and non-current</b>					
Investments	-	536.42	-	536.42	536.42
Trade receivables	21,888.45	-	-	21,888.45	21,888.45
Cash and cash equivalents	6,157.67	-	-	6,157.67	6,157.67
Bank balances other than cash and cash equivalents	7,612.50	-	-	7,612.50	7,612.50
Loans	107.46	-	-	107.46	107.46
Other financial assets	421.36	-	-	421.36	421.36
<b>Total</b>	<b>36,187.44</b>	<b>536.42</b>	<b>-</b>	<b>36,723.86</b>	<b>36,723.86</b>
<b>Liabilities:</b>					
Borrowings	955.86	-	-	955.86	955.86
Non current Borrowings	64.37	-	-	64.37	64.37
Trade payables	13,356.43	-	-	13,356.43	13,356.43
Other financial liabilities	1,715.31	-	-	1,715.31	1,715.31
<b>Total</b>	<b>16,091.97</b>	<b>-</b>	<b>-</b>	<b>16,091.97</b>	<b>16,091.97</b>

The carrying and fair value of financial instruments by categories as at March 31, 2023 were as follows:

Particulars	Amortised Cost	Financial Assets / liabilities at fair value through statement of profit and loss	Financial Assets/liabilities at fair value through OCI	Carrying Value	Fair Value
<b>Assets:</b>					
<b>Current and non-current</b>					
Investments	-	501.02	-	501.02	501.02
Trade receivables	19,707.79	-	-	19,707.79	19,707.79
Cash and cash equivalents	5,866.32	-	-	5,866.32	5,866.32
Bank balances other than cash and cash equivalents	6,054.44	-	-	6,054.44	6,054.44
Loans	27.63	-	-	27.63	27.63
Other financial assets	261.67	-	-	261.67	261.67
<b>Total</b>	<b>31,917.85</b>	<b>501.02</b>	<b>-</b>	<b>32,418.87</b>	<b>32,418.87</b>



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<b>Liabilities:</b>					
<b>Current and non-current</b>					
Borrowings	1,027.81	-	-	1,027.81	1,027.81
Non current Borrowings	110.56	-	-	110.56	110.56
Trade payables	10,366.01	-	-	10,366.01	10,366.01
Other financial liabilities	1,186.44	-	-	1,186.44	1,186.44
<b>Total</b>	<b>12,690.82</b>	<b>-</b>	<b>-</b>	<b>12,690.82</b>	<b>12,690.82</b>

The management assessed that cash and cash equivalents (including bank balances), trade receivables, loans, trade payables and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

**Valuation technique used to determine fair value**

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- The fair values of the Company's interest-bearing borrowings and loans are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting year.
- The fair value of security deposits and non current investments approximates the carrying value and hence the valuation technique and inputs have not been given.
- Fair value of investments in mutual funds are based on market observable inputs i.e. Net Asset Value at the reporting date.

**39: Fair value hierarchy**

All assets and liabilities for which fair value is measured or disclosed in the Financial Statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

**Level 1** — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

**Level 2** — Valuation techniques for which the lowest level input that has a significant effect on the fair value measurement are observable, either directly or indirectly.

**Level 3** — Valuation techniques for which the lowest level input which has a significant effect on the fair value measurement is not based on observable market data.

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The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

**Quantitative disclosures fair value measurement hierarchy for assets and liabilities:**

Particulars	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Financial assets for which fair values are disclosed:</b>					
Investments	March 31, 2024	536.42	-	536.42	-
	March 31, 2023	501.02	-	-	501.02
Trade receivables	March 31, 2024	21,888.45	-	-	21,888.45
	March 31, 2023	19,707.79	-	-	19,707.79
Cash and cash equivalents	March 31, 2024	6,157.67	-	-	6,157.67
	March 31, 2023	5,866.32	-	-	5,866.32
Bank balances other than cash and cash equivalents	March 31, 2024	7,612.50	-	-	7,612.50
	March 31, 2023	6,054.44	-	-	6,054.44
Loans	March 31, 2024	107.46	-	-	107.46
	March 31, 2023	27.63	-	-	27.63
Other financial assets	March 31, 2024	421.36	-	-	421.36
	March 31, 2023	261.67	-	-	261.67
<b>Financial liabilities for which fair values are disclosed:</b>					
Borrowings	March 31, 2024	955.86	-	-	955.86
	March 31, 2023	1,027.81	-	-	1,027.81
Non current Borrowings	March 31, 2024	64.37	-	-	64.37
	March 31, 2023	110.56	-	-	110.56
Trade payables	March 31, 2024	13,356.43	-	-	13,356.43
	March 31, 2023	10,366.01	-	-	10,366.01
Other financial liabilities	March 31, 2024	1,715.31	-	-	1,715.31
	March 31, 2023	1,186.44	-	-	1,186.44

There have been no transfers between Level 1 and Level 3 during the year

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**40: Financial risk management objective and policies**

The Company's principal financial liabilities, comprise loans and borrowings, trade payables, lease liabilities and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade receivables, cash and cash equivalents (including bank balances) and other financial assets that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a internal finance team that advises on financial risks and the appropriate financial risk governance framework for the Company. The internal finance team provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

**(a) Market Risk:**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and investments.

The sensitivity analysis in the following sections relate to the position as at March 31, 2024 and March 31, 2023.

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt at year end March 31, 2024 and March 31, 2023.

The analyses exclude the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2024 and March 31, 2023.

**(i) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short-term debt obligations with floating interest rates. The risks are managed by periodic monitoring of interest rates.

**Interest Rate sensitivity:**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase in interest %		Decrease in interest %	
	Increase/ (decrease) in profit		Increase/ (decrease) in profit	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Effect of Increase/ decrease in floating Interest rate by 100 basis points (1%)	(1.05)	(1.89)	1.05	1.89

**(ii) Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's foreign currency liabilities.

The Company manages its foreign currency risk by forecasting highly probable foreign currency (FC) cash flows in advance.

**Exposure to foreign currency risk**

The summary of quantitative data about the Company's exposure to currency risk, as expressed in Indian Rupees, as at March 31, 2024 and March 31, 2023 are as below:

**(a) Foreign currency risk exposure:**

The Company exposure to foreign currency risk at the end of the reporting period, is as follow:

Particulars	March 31, 2024		March 31, 2023	
	USD in lakhs	Rupees in lakhs	USD in lakhs	Rupees in lakhs
Trade payables and Payable for Property, plant and equipment	0.62	51.63	0.03	2.10
<b>Total</b>	<b>0.62</b>	<b>51.63</b>	<b>0.03</b>	<b>2.10</b>
<b>Exposure to foreign currency risk (liability)</b>	<b>0.62</b>	<b>51.63</b>	<b>0.03</b>	<b>2.10</b>



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**Foreign currency sensitivity**

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all other currencies is not material.

Particulars	Increase/ (decrease) in	
	March 31, 2024	March 31, 2023
USD sensitivity		
INR/USD - Increase by 5%	(2.58)	(0.11)
INR/USD - Decrease by 5%	2.58	0.11

**(iii) Commodity price risk**

The Company is exposed to movement in price of steel commodity. Profitability of Company may get affected by movement in the prices of steel. The strategic move of the Company from fixed price contracts to variable price contracts helps mitigate steel price fluctuation risk.

**(iv) Equity price risk**

Equity price risk is the risk that the value of a equity financial instrument will fluctuate due to changes in market prices.

The Company does not hold any quoted or marketable equity financial instruments, hence, is not exposed to any movement in market prices.

**(b) Credit Risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments. The Company only deals with parties which has good credit rating/ worthiness given by external rating agencies or based on Company's internal assessment.

**Trade receivables and contract assets**

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and location in which customers operate. The Company limits its exposure to credit risk from trade receivables by establishing a maximum payment period. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit obtained from reputable banks.

The Company makes provision of expected credit losses on trade receivables using a provision matrix. The provision matrix is based on its historical observed default rates, adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and Company makes appropriate provision wherever outstanding is for longer period and involves higher risk. Generally, trade receivables are written-off if past due for more than one year and are not subject to enforcement activity. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 7 (b)(i) and 7 (b)(ii). The Company does not hold collateral as security. The letters of credit and other forms of credit insurance are considered integral part of trade receivables and considered in the calculation of impairment. The Company evaluates the concentration of risk with respect to trade receivables and contract assets as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Set out below is the information about the credit risk exposure of the Company's trade receivables and contract asset using provision matrix:

	Contract asset	Trade receivable						Total
		Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
<b>March 31, 2024</b>								
Estimated total gross carrying amount at default	3,525.20	6,835.50	14,215.59	773.24	887.85	118.80	-	26,356.18
ECL- simplified approach	-	282.20	586.86	31.92	36.65	4.90	-	942.53
<b>Net carrying amount</b>	<b>3,525.20</b>	<b>6,553.30</b>	<b>13,628.73</b>	<b>741.32</b>	<b>851.20</b>	<b>113.90</b>	<b>-</b>	<b>25,413.65</b>
<b>March 31, 2023</b>								
Estimated total gross carrying amount at default	2,792.94	4,712.33	14,239.63	493.94	468.84	-	612.93	23,320.61
ECL- simplified approach	-	194.00	586.24	20.34	19.30	-	-	819.88
<b>Net carrying amount</b>	<b>2,792.94</b>	<b>4,518.33</b>	<b>13,653.39</b>	<b>473.60</b>	<b>449.54</b>	<b>-</b>	<b>612.93</b>	<b>22,500.73</b>





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**Financial instruments and cash deposits**

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis and may be updated throughout the year subject to approval of the Company's Finance team. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2024 and March 31, 2023 is the carrying amounts as illustrated in Note 7(c).

**Reconciliation of impairment allowance on trade and other receivables and contract asset:**

	Amount (Rs. In lakhs)
<b>Impairment allowance as on April 01, 2022</b>	<b>1,783.58</b>
Add/ (less): Provision for expected credit losses	(963.70)
<b>Impairment allowance as on March 31, 2023</b>	<b>819.88</b>
Add: Provision for expected credit losses	122.65
<b>Impairment allowance as on March 31, 2024</b>	<b>942.53</b>

The significant change in the balance of trade receivables and contract asset are disclosed in note 7(b)(i) and 7(b)(ii) respectively.

**(c) Liquidity risk**

The Company monitors its risk of a shortage of funds using a liquidity planning tool.

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company monitors its risk of a shortage of funds using a liquidity planning tool.

The Company's objective is to maintain a balance between continuing of funding and flexibility through the use of bank overdrafts, bank loans, cash credits, and advance payment terms.

**(a) Financing arrangements**

The Company has access to the following undrawn borrowings facilities at the end of the reporting

	As at March 31, 2024	As at March 31, 2023
<b>Floating rate</b>		
Expiring within one year (Cash credit from banks)	3,637.67	3,551.90
	3,637.67	3,551.90

**(b) Maturities of financial liabilities**

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

**Balance as at March 31, 2024**

Particulars	On demand	Less than 1 year	1 to 5 years	> 5 years	Total undiscounted contractual cash flows	Carrying amount of liabilities
Lease liabilities	-	77.40	237.60	110.25	425.25	318.27
Borrowings						
Vehicle loans*	-	52.99	69.20	-	122.19	111.16
Cash credit from banks	909.66	-	-	-	909.66	909.66
Trade payables	-	13,356.43	-	-	13,356.43	13,356.43
Payable on purchase of Property, plant and equipment	-	222.78	-	-	222.78	222.78
Employee dues	-	1,453.52	-	-	1,453.52	1,453.52
Security deposits	-	38.42	-	-	38.42	38.42

\* including interest accrued but not due on borrowings



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**Balance as at March 31, 2023**

Particulars	On demand	Less than 1 year	1 to 5 years	> 5 years	Total undiscounted contractual cash flows	Carrying amount of liabilities
Lease liabilities	-	113.40	453.60	331.65	898.65	634.44
Borrowings						
Vehicle loans*	-	70.01	122.18	-	192.19	171.10
Cash credit from banks	948.10	-	-	-	948.10	948.10
Borrowings from related parties	20.00	-	-	-	20.00	20.00
Trade payables	-	10,366.01	-	-	10,366.01	10,366.01
Other financial liabilities	-	-	-	-	-	-
Payable on purchase of Property, plant and equipment	-	2.36	-	-	2.36	2.36
Employee dues	-	1,142.31	-	-	1,142.31	1,142.31
Security deposits	-	39.42	-	-	39.42	39.42
Interest accrued and due on borrowings	-	1.52	-	-	1.52	1.52

\* including interest accrued but not due on borrowings

**41: Capital management**

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

Particulars	March 31, 2024	March 31, 2023
Borrowings and lease liabilities (refer note 14(a) and 14(b))	1,338.50	1,772.81
Less: cash and cash equivalents (refer note 7( c))	6,157.67	5,866.32
<b>Net debt</b>	<b>(4,819.17)</b>	<b>(4,093.51)</b>
Equity	44,462.46	39,927.90
<b>Total Capital</b>	<b>44,462.46</b>	<b>39,927.90</b>
<b>Capital and net debt</b>	<b>39,643.29</b>	<b>35,834.39</b>
<b>Gearing Ratio</b>	<b>-12.16%</b>	<b>-11.42%</b>

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the reporting year.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024 and March 31, 2023.



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**42. Ratio analysis and its elements**

Ratio	%/ Times	Numerator	Denominator	March 31, 2024	March 31, 2023	% change	Reason for variance > 25%
Current Ratio	Times	Current assets	Current liabilities	1.71	1.83	-6.32%	Not applicable
Debt-Equity Ratio	Times	Total debt*	Total Equity	0.03	0.04	-32.20%	Primarily on account of decrease in total debt in the year ended March 31, 2024.
Debt Service Coverage Ratio	Times	Earnings available for debt service= Net profit before taxes + depreciation and amortization+ Finance Cost	Debt service = Interest & Principal Repayments including lease liability	95.61	64.04	49.30%	Primarily on account of decrease in debt in the year ended March 31, 2024
Return on Equity Ratio	%	Profit for the year**	Average total equity	20.44%	22.70%	-9.94%	Not applicable
Inventory Turnover Ratio	Times	Cost of goods sold	Average Inventory	5.80	5.40	7.50%	Not applicable
Trade Receivables Turnover Ratio	Times	Revenue from operations	Average Trade Receivables##	6.22	7.23	-13.99%	Not applicable
Trade Payables Turnover Ratio	Times	Net purchases = Gross purchases - purchase return	Average Trade Payables	7.06	8.01	-11.87%	Not applicable
Net Capital Turnover Ratio	Times	Revenue from operations	Average Working capital	6.10	6.15	-0.88%	Not applicable
Net Profit Ratio	%	Profit for the year**	Revenue from operations	6.67%	7.25%	-8.00%	Not applicable
Return on Capital Employed	%	Earnings before interest and tax = Profit for the year + Finance costs + Total tax expense	Capital Employed = Total equity- Intangible assets + Total debt*	25.79%	26.75%	-3.61%	Not applicable
Return on Investment	%	Income on Investment	Average Investments	20.71%	24.84%	-16.61%	Not applicable

\*Total debt is calculated as non-current borrowings plus current borrowings plus non-current lease liabilities plus current lease liabilities.

\*\* Profit after tax before other comprehensive income

## includes both current and non current Trade receivables.



#### 43. Other Statutory Information

- i) The Company does not have any Benami property, where any proceedings has been initiated or pending against the Company for holding any Benami property.
- ii) The Company does not have any transactions with struck-off companies under section 248 of The Companies Act, 2013.
- iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- iv) The Company has not traded or invested in crypto currency or virtual currency.
- v) The Company has not advanced any loan or invested fund in any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:
  - a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on of the behalf of the company (ultimate beneficiaries) or
  - b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the company shall:
  - a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on of the behalf of the Company (ultimate beneficiaries) or
  - b) Provide any guaranty, security or the like to or on behalf of the ultimate beneficiaries.
- vii) The Company does not have any such transactions which is not recorded in books of account that have been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961 (such as, search or survey or any other relevant provision of the Income Tax Act, 1961).
- viii) The Company has not been declared as wilful defaulter by any bank or financial institution or other lender.

#### 44. Employee Stock Option Scheme

The Company has adopted the Interarch Employee Stock Option Plan 2023 ("ESOP 2023") pursuant to the resolutions passed by the Board of Directors on August 17, 2023, and our Shareholders on August 18, 2023 which was amended pursuant to resolution passed by the Board of Directors on 8th March 2024, and our Shareholders on 8th March, 2024. As per the ESOP 2023, the Company has the right to grant share options to qualifying employees once they have successfully completed a year of service. However, the actual vesting of these share options depends on completion of a specified minimum employment period with the company and/or the fulfillment of any specified performance conditions. The Compensation Committee namely Nomination and Remuneration Committee will determine the exercise price and pricing formula, following the guidelines laid down by applicable accounting standards. The method for valuation of options shall be determined by the Compensation Committee namely Nomination and Remuneration Committee from time to time in accordance with ESOP 2023. As on date no stock options have been granted under the ESOP 2023.

#### 45. Buyback of shares

The Board of Directors at its meeting held on August 17, 2023 and by Shareholders by passing Special Resolution at an Annual General Meeting of the Company held on August 18, 2023, approved a proposal to buy back the equity shares of the Company. This scheme includes buy back of fully paid-up equity shares having a face value of Rs. 10 each of the Company at a price Rs. 667 per equity share from the shareholders of the Company payable in cash which is more than 10% of the aggregate of the total paid-up share capital and free reserves of the Company, based on the latest audited financial statements of the Company as on March 31, 2023, in accordance with the requirements of Section 68 and Section 70 of the Companies Act, 2013 ("Act") read with Rule 17(1)(n) of the Companies (Share capital and debentures Rules), 2014, as amended and other applicable provisions (the process hereinafter referred to as the "Buyback"). The Company has bought back 5,84,708 No's of equity shares for an aggregate amount of Rs. 3,900.00 lakhs being 11.34% of the 'Total paid up equity share capital and Free reserves' as defined in the Act as at March 31, 2023 at price of Rs. 667 per equity share. The equity shares bought back were extinguished on September 25, 2023. Capital redemption reserve was created to the extent of share capital extinguished (Rs. 58.47 lakhs) from retained earnings. The excess cost of buyback of Rs. 3,841.53 lakhs over par value of shares were offered from general reserve and corresponding tax on buyback of Rs. 428.13 lakhs were offset from retained earnings.

46. The Company uses accounting software for maintaining its books of account which has a feature of recording audit trail facility and the same has operated throughout the year for all relevant transactions recorded in the software except for direct changes to database using certain access rights. Wherever audit trail is enabled, there has not been any instance where audit trail feature has been tampered with, in respect of the accounting software.

#### 47. Events after the reporting year

- (i) All other events has been disclosed under the respective notes to accounts wherever required.

As per our report of even date

For **S.R. Batliboi & Co. LLP**  
ICAI Firm Registration No. 301003E/E300005  
Chartered Accountants

per **Pravin Tulsyan**  
Partner  
Membership no. 108044



Place : Gurugram  
Date : June 11, 2024

For and on behalf of the Board of Directors of  
**Interarch Building Products Limited**  
(formerly known as **Interarch Building Products Private Limited**)

**Arvind Nanda**  
Managing Director  
DIN: 00149426

**Manish Kumar Garg**  
Chief Executive Officer

Place : Noida  
Date : June 11, 2024

**Gautam Suri**  
Whole Time Director  
DIN: 00149374

**Pushpendra Kumar Bansal**  
Chief Financial Officer



**Nidhi Goel**  
Company Secretary and  
Compliance Officer  
Membership no. A19279

