Our Company, incorporated as Plaza Wires Private Limited, an unlisted company, under the provisions of the Companies Act, 1956, pursuant to the certificate of incorporation dated August 22, 2006 issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana. Pursuant to a special resolution passed by the members of our Company in a meeting convened and held on October 11, 2017, the name of Company was changed to Plaza Wires Limited. The Board of Directors of the Company has been elected and continues to be the Board of Directors of the Company. The Company is in the business of manufacturing of aluminium wires and cables and other allied products.

Our Company is an ISO 9001:2015 and 14001:2015 certified company engaged in the business of manufacturing and selling of wires, and selling and marketing of LT aluminium cables and fast moving electrical goods under our flagship brand "PLAZA CABLES" and home brands such as "Action Wires" and "PGC".

The Issue is being made in accordance with Regulation 6(2) of the SEBI ICDR Regulations

- QIB Portion: Not less than 75% of the Issue
- Non-Institutional Portion: Not more than 15% of the Issue
- Retail Portion: Not more than 10% of the Issue

PRICE BAND: ₹ 51 TO ₹ 54 PER EQUITY SHARE OF FACE VALUE OF ₹ 10 EACH
THE FLOOR PRICE IS 5.1 TIMES THE FACE VALUE OF THE EQUITY SHARES
AND THE CAP PRICE IS 5.4 TIMES THE FACE VALUE OF THE EQUITY SHARES
THE PRICE TO EARNING RATIO BASED ON BASIC AND DILUTED EPS FOR FISCAL 2023
AT THE FLOOR PRICE IS 20.73 TIMES AND AT THE CAP PRICE IS 21.95 TIMES
BIDS CAN BE MADE FOR A MINIMUM OF 277 EQUITY SHARES AND IN MULTIPLES OF 277 EQUITY SHARES THEREAFTER

In accordance with the recommendation of the Independent Directors of our Company, vide their resolution dated September 22, 2023, the above provided price band is justified based on quantitative factors/KPIs disclosed in the 'Basis for Issue Price' section of the RHP vis-a-vis the weighted average cost of acquisition ("WACA") and secondary transactions, as applicable, disclosed in the 'Basis for Issue Price' chapter on page 99-105 of the RHP.

In making an investment decision, potential investors must only rely on the information included in the Red Herring Prospectus and the terms of the Issue, including the risks involved and not rely on any other external sources of information about the Issue available in any manner.

RISKS TO INVESTORS:

1. Our success depends on our ability to build the Proposed Manufacturing Unit and expand our product portfolio, both of which are subject to risks and uncertainties.
2. We have not yet placed orders in relation to the capital expenditure to be incurred for the Proposed Manufacturing Unit. In the event of any delay in placing the orders, or in the event the vendors are not able to provide the plant and machineries or complete the civil and related works etc. in a timely manner, or at all, the same may result in time and cost over-runs.
3. Inadequate or interrupted supply and price fluctuation of our raw materials and packaging materials could adversely affect our business, results of operations, cash flows, profitability and financial condition.
4. We generate our significant portion of sales from our operations in certain geographical regions. Any adverse developments affecting our operations in these regions could have an adverse impact on our revenue and results of operations.
5. Working Capital Requirements: Our Company requires significant amounts of working capital and significant portion of our working capital is consumed in trade receivables and inventories. Our inability to meet our working capital requirements may have an adverse effect on our results of operations and overall business.
6. We may not be able to derive the desired benefits from our product development efforts. Commercialization and market development of new products and existing product particularly our FMEG products may take longer time than expected and / or may involve unforeseen business risks.
7. Weighted average cost of acquisition, floor price and cap price

Types of transactions | Weighted average cost of acquisition (₹ per Equity Shares) | Floor Price* | Cap Price*
---|---|---|---
Weighted average cost of acquisition (WACA) of Primary Issuances | Nil | Nil | Nil
Weighted average cost of acquisition (WACA) of Secondary Issuances | Nil | Nil | Nil

*There were no primary transactions and Secondary transactions of Equity Shares of the Company during the 3 years preceding the date of filing of the Red Herring Prospectus except by way of issue of bonus and transfer of gift hence cost of acquisition is nil.

8. Market Risk: The Issue Price, market capitalization to total income and price to earnings ratio based on the Issue Price of our Company may not be indicative of the