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Laxmi India Finance IPO Subscribed 1.85 Times, Retail Investors Lead Demand

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Laxmi India Finance Ltd's initial public offering (IPO) concluded today with strong investor interest, achieving 1.85 times subscription, according to exchange data. The ₹254.26 crore issue successfully closed on its final day of bidding.

The IPO comprises a fresh issue of around 1.045 crore equity shares and an offer-for-sale of 56.39 lakh shares by promoters. With a price band of ₹150 to ₹158 per share, the IPO

raised ₹165.17 crore through new issuance and ₹89.09 crore via sale of existing shares.

Retail investors emerged as the strongest participants, oversubscribing their segment by 2.19 times. Non-institutional investors (NIIs) subscribed at 1.83 times, while qualified institutional buyers (QIBs) applied for 1.30 times their allocation.

The IPO drew consistent interest over its three-day offering period. On Day 2, the issue stood at approximately 1.29 times subscription, later accelerating to full subscription by the close of offer. Analysts had earlier noted stronger participation from retail and NII segments compared to moderate demand from institutional buyers.

Early grey market indicators showed a modest premium of Re 1, suggesting a potential listing price of around ₹159, just 0.6 percent above the upper band of ₹158.

Laxmi India Finance, a Jaipur-headquartered non-deposit-taking NBFC, focuses on lending to underserved MSME and vehicle loan segments in semi-urban and rural areas. As of March 2025, the company had assets under management (AUM) of approximately ₹1,277 crore, with 76 percent derived from MSME lending. It operates through 158 branches across Rajasthan, Gujarat, Madhya Pradesh, and Chhattisgarh, serving over 35,500 active borrowers.

Proceeds from the fresh issue will be deployed to augment the company's capital base and support its lending operations. The listing is scheduled for August 5 on both BSE and NSE, with allotment finalised by August 1.

Industry observers view the IPO's outcome as a positive indicator of demand in regional NBFC offerings, especially in sectors supported by retail investor participation. However, they warn of sector-specific risks tied to MSME lending concentration and asset quality vulnerabilities.

With strong retail appetite and steady institutional engagement, Laxmi India Finance appears to have positioned itself well for a measured market debut.