

**Rating: Subscribe for Listing Gains**

**Issue Offer**

Fresh issue of 32,24,299 shares upto INR 1,380 Mn. Offer For Sale of 1,30,85,467 shares aggregating up to INR 5.6 Bn.

**Issue Summary**

Price Band (INR)	407-428
Face Value (INR)	2
Implied Market Cap (INR Mn)	23,523.79
Market Lot	33
Issue Opens on	Jan 13, 2025
Issue Close on	Jan 15, 2025
No. of share pre-issue	5,17,37,850
No. of share post issue	5,49,62,149
Listing	NSE , BSE

**Issue Break-up (%)**

QIB Portion	75%
NII Portion	15%
Retail Portion	10%

**Book Running Lead Managers**

Nuvama Wealth Management Ltd  
Motilal Oswal Investment Advisors Ltd  
SBI Capital Markets Ltd

**Registrar**

MUFG Intime India Pvt Ltd

**Shareholding Pattern**

	Pre-Issue	Post-Issue
Promoters	46.56%	42.68%
Public & Others	53.44%	57.32%

**Objects of the issue**

- Repayment/prepayment, in full or in part, of certain outstanding borrowings availed by the Company.
- Investment in certain Subsidiaries for the repayment/prepayment, in full or in part, of certain outstanding borrowings.
- Funding the capital expenditure requirements for purchasing new machinery for the Company.
- Investment in subsidiary, Bizdent Devices Private Limited, is needed for the capital expenditure requirements for the purchase of new machinery.
- General corporate purposes.

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Laxmi Dental is India's only fully integrated dental products company with over 20 years of expertise, offering a comprehensive range of solutions including custom-made crowns, bridges, clear aligners, and paediatric dental products. The company operates six manufacturing facilities certified by US FDA and ISO 13485:2016, with a total manufacturing space of 147,029 sq. ft. It serves over 22,000 dental clinics, dentists, and dental companies across India and is a leading exporter of custom dental prostheses to markets in the US and UK. Leveraging its extensive dental network, Laxmi Dental has adopted a B2B2C model for aligner solutions and launched digital dentistry solutions like the iScanPro intraoral scanner. The company also offers thermoforming sheets, biocompatible 3D printing resins, and machines for manufacturing clear aligners under the brand name Taglus.

**Investment Rationale**

**Market leader with integrated capabilities:** Laxmi Dental's vertically integrated business model covers the entire dental value chain, from raw material manufacturing to treatment planning solutions. The company offers a broad portfolio, including custom crowns, bridges, clear aligners under Illusion Aligners, and paediatric dental products through Kids-E-Dental. Its backward integration into manufacturing aligner sheets, thermoforming machines, and 3D printing resins allows cost control and operational efficiency. Leveraging its reach along with digital innovations, the company is set to benefit from India's rapidly expanding dental market, growing at a faster pace than global counterparts.

**Strong position in the growing Dental Laboratory market:** The company is the second-largest domestic player and the largest exporter in the dental laboratory sector, with a network of 22,000+ clinics across 320 cities. Its offerings, including metal-free zirconia crowns under the "Illusion Zirconia" brand, make up 54.8% of domestic revenue. The adoption of digital dentistry, such as CAD-CAM and intraoral scanners, enhances efficiency and service quality, with digital impressions accounting for 61.8% of international revenue in FY24. Laboratory business remains the highest contributor to its revenues with ~65% share in FY24.

**Expansion and innovation strategy going forward:** The company aims to deepen its presence in existing markets and expand globally by leveraging digital technologies and cross-selling its branded products, including clear aligners and paediatric dental solutions. Focused on enhancing product offerings and launching new solutions, it will invest in automation and advanced technologies to increase operational efficiency. Additionally, strategic partnerships and expanded distribution channels will further drive market penetration and accelerate revenue growth.

**Valuation and View:** Laxmi Dental is India's only fully integrated dental products company, offering solutions like crowns, bridges, clear aligners, and paediatric dental products. With over 20 years of experience, the company operates six manufacturing facilities, serving over 22,000 dental clinics and exports to the US and UK. Laxmi Dental's vertically integrated model ensures cost control, with in-house production of aligner sheets and 3D printing resins. Its foray into newer streams of digital dentistry streams reflects its diversification capabilities. The company aims to expand both domestically and internationally through innovation and digital solutions and is all set to benefit from the industry tailwinds, especially in the domestic market. At the upper band price of INR 428, the issue is valued at 93x P/E based on FY24 EPS and 51.7x based on annualized FY25 earnings. We have a "Subscribe for Listing Gains" rating for the issue.

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Stock Rating Scale	Absolute Return
BUY	
ACCUMULATE	
HOLD	
NEUTRAL	
REDUCE	
SELL	

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