

Renewed push by NSE for SME listing

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The National Stock Exchange (NSE), the country's biggest bourse, aims to ramp up the number of listings on NSE Emerge, its platform meant for small and medium enterprises (SMEs).

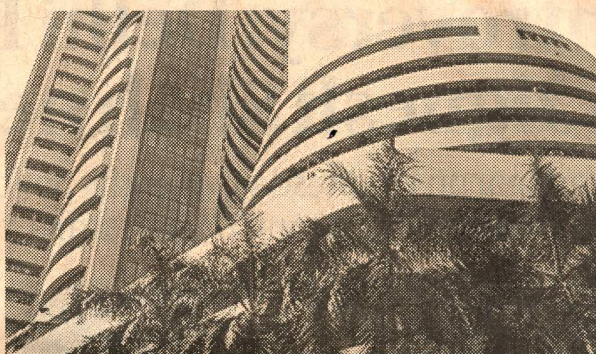
The exchange has significantly lagged smaller rival BSE in the SME segment, set up by both in 2012. NSE has only eight companies listed on Emerge, compared to over 100 on the BSE's platform.

According to sources, the Securities and Exchange Board of India (Sebi) is not happy at NSE's progress in this regard. "Recently, a meeting took place where senior officials at Sebi and NSE did a status check of the platform. There is pressure on NSE to push it," said an official with direct knowledge of the development.

Both Sebi and the government are keen to ensure SMEs, considered the economy's backbone, get access to equity capital. The contribution of SMEs to gross domestic product is 38 per cent.

In a reply to a query from *Business Standard* on its SME plans, NSE said, "We expect NSE Emerge to witness a significantly higher number of listings as time goes by, while keeping proper checks and balances in place. At least 10 companies are in various stages of getting listed."

Investment bankers oper-



SIZE MATTERS

BSE has taken huge lead over NSE in the SME segment (₹ cr)

	BSE	NSE
No. of listed companies	106	8
M-cap of listed companies	7,699.67	517.90
Average daily trading turnover	8.22	0.54
No. of companies moved from SME to main board	6	1

Note: Trading turnover data for 2015
Compiled by BS Research Bureau Source: Exchanges

ating in the SME space said NSE was getting more aggressive here. "NSE has always been eager to have more companies on its platform & has been marketing it very aggressively. They are meeting with SMEs across the country and advising them on the benefits of listing," said Uday Patil, director (investment banking), *Keynote Corporate Services*.

"NSE has increased the number of awareness programmes for its SME platform. The exchange is reaching out to people," said Mahavir Lunawat, group managing

director, *Pantomath Capital Advisors*.

The exchange started its SME platform in March 2012 and saw the first listing, of *Thejo Engineering*, in September 2012. Eight companies have managed to raise capital by way of Initial Public Offers since inception.

The SME platform is for companies with paid-up capital of less than ₹25 crore and a record of three years. The regulatory requirement of Sebi for listing on the platform is far less stringent compared than that on the main board.