

## SME Roundup

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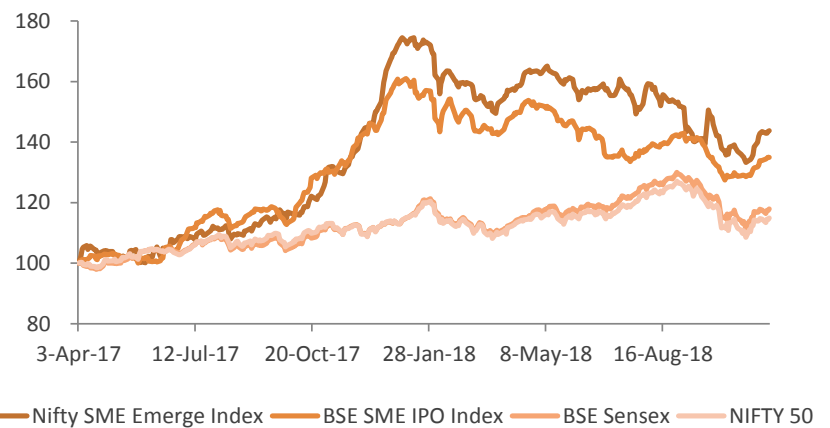
### Highlights

- Over the last fortnight, the stock markets remained volatile but closed on a positive note and the SME indices outperformed the broad market indices.
- The Government has launched 12 initiatives to boost the growth of the MSME sector and has also announced an outreach programme over 100 days across 100 districts to promote the same.
- ICBC Bank and Asirvad Microfinance are planning to expand their offerings to the MSME sector.

### 1. Capital Market Movement

#### Index Movement

##### SME Index Movement



Source: NSE, BSE

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Index	31/10/18	15/11/18	% change
Nifty SME Emerge	1,446.55	1,543.66	6.7
BSE SME IPO	1,689.51	1,756.75	4.0
BSE Sensex	34,442.05	35,260.54	2.4
Nifty 50	10,386.60	10,616.70	2.2

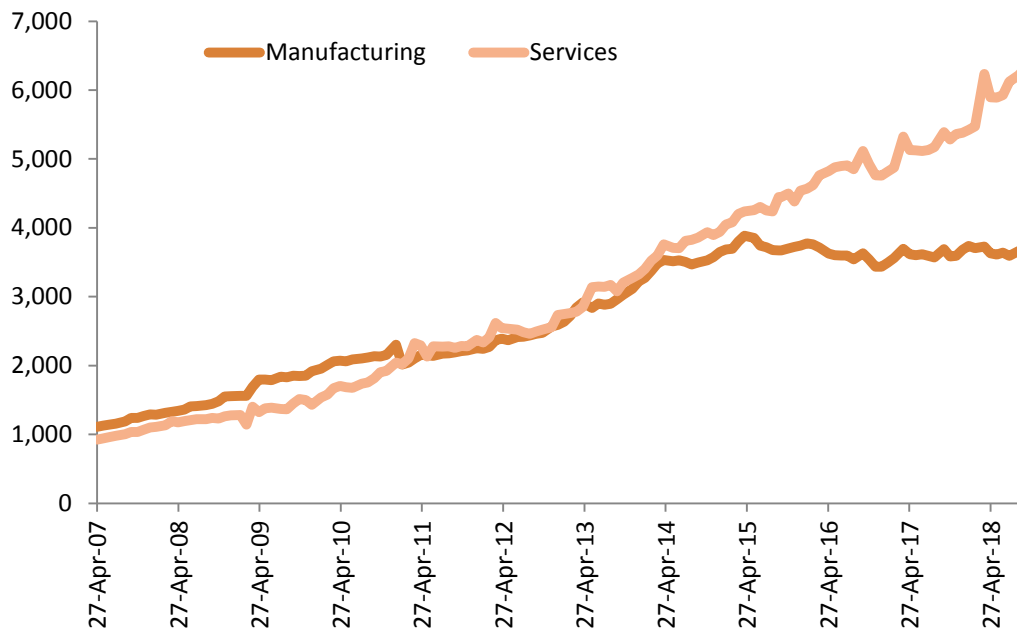
Source: NSE Emerge, BSE SME Platform

**Upcoming IPOs**

No	Company Name	Start Date	End Date	Issue Size	Issue Price	Lot Size	Platform
1	Shree Krishna Infrastructure Ltd	15-Nov-18	22-Nov-18	1.17	13	10000	BSE SME
2	Roni Households Ltd	19-Nov-18	22-Nov-18	20	20	6000	BSE SME
3	ICL Multitrading India Limited	19-Nov-18	22-Nov-18	2.10	85	1600	NSE Emerge

**2. Sectoral Deployment of Credit**

**Priority Sector Bank Credit to the SME Sector (in Rs. bn)**



Source: RBI

Sector	Outstanding as on (Rs bn)					% Change	
	Sep.30, 2016	Mar.31, 2017	Sep.29, 2017	Mar. 30, 2018	Sep.28, 2018	Sep.28, 2018 / Sep.29, 2017	Sep.28, 2018 / Mar.30, 2018
Micro & Small Enterprises	8,744	9,020	9,079	9,964	9,945	9.5	-0.2
Manufacturing	3,630	3,697	3,690	3,730	3,638	-1.4	-2.5
Services	5,114	5,322	5,389	6,234	6,307	17.0	1.2

Source: RBI

### 3. Key Developments

#### **PM launches historic Support and Outreach Initiative for MSME Sector**

Shri Narendra Modi, the Prime Minister, launched a support programme for the MSME sector. As part of this programme, the Prime Minister unveiled 12 key initiatives across five categories such as access to credit, access to market, technology upgradation, ease of doing business, and a sense of security for employees to help the growth of MSMEs. Some of these initiatives include:

- Launch of the 59 minute loan portal to enable easy access to credit
- Two percent interest subvention for all GST registered MSMEs, on fresh or incremental loans
- Public sector companies to compulsorily procure 25% of their total purchases from MSMEs, up from the earlier 20%

The Prime Minister further stated that a mission would be launched to ensure that MSME employees have Jan Dhan Accounts, provident fund and insurance as social security measures.

#### **The MSME Outreach Programme to run for 100 days covering 100 Districts throughout the country**

The Prime Minister, Shri Narendra Modi has launched the Micro, Small and Medium Enterprises (MSME) Support and Outreach Programme. MSME Outreach Programme will run for 100 days covering 100 Districts throughout the country. Central Ministers are expected to visit these districts to inform the entrepreneurs about various facilities being extended to MSME Sector by the Government and financial institutions and enable them to access these facilities such as access to credit and markets.

#### **ICBC India sets USD 200 million fund for investing in Indian MSMEs & ventures**

According to Mr. Zheng Bin, CEO, Industrial and Commercial Bank of China (ICBC), ICBC has established a \$200 mn fund to invest in Indian MSMEs and ventures. He announced this at the second round of Startup India Investment Seminar organized by Embassy of India in China in partnership with Startup India Association (SIA) and Venture Gurukool.

#### **Asirvad Microfinance to lend MSME sector in a big way**

According to Mr. S.V. Raja Vaidyanathan, Managing Director of Asirvad Microfinance, the company is planning to expand its offerings to the MSME sector. The company aims to lend approximately Rs.500 crore to Rs.750 crore by March 2020.

**CARE Ratings’ presence in SME related activities**



CARE Ratings was a Knowledge Partner at the Investment Deal Summit 2018 held at Bangalore on October 31, 2018. Mr. Aakash Jain (Associate Director) was panel member in the session on MSME & SME deals and fundraising. Ms. Namrata Sethi Jain and Mr. Sunil Kumar had coordinated the event.

CARE Ratings was a knowledge partner for the “Vendor Development Programme in association with Rajasthan Solar Association” organised by NSIC, Jaipur on November 02, 2018. Mr. Nikhil Soni (Branch Head – JRO) was one of the panel members. Mr Nikhil Soni, Ms Tanvi Jain (Analyst) and Ms Taanisha Sharma (Deputy Manager) also presented on “Perspective of Credit Rating”. The Q&A session was moderated by Mr. Abhishek Jain (Manager) and Mr Bhuvnesh Verma (TL-SME).



Mr. Manish Kumar (Senior Manager) addressed clients on ‘Importance of Credit Rating for MSME Financing’ for event organized by Industries & Commerce (I&C) Department of Gov. of Telangana at Mancherial and Nizamabad District of Telangana State on Nov 01, 2018 and Nov 02, 2018 respectively.





Mr. Ananda Prakash Jha (Branch Head-Chandigarh) along with SME BD Team had a discussion on CARE Rating Methodology, MSME Offerings with SIDBI officials on November 05, 2018.

Ms. S. Uma (Manager) and Mr. N. Anand Kumar (Deputy Manager) presented on “Importance of Ratings in MSME” at the MSME Conclave held at Karur, Tamil Nadu on November 01, 2018.

