

SME Roundup

Contact:
Saikat Roy
Director & Head, SME
saikat.roy@careratings.com
91-22-6754 3404

Saurabh Bhalerao
Associate Director – Industry Research
saurabh.bhalerao@careratings.com
91-22-6837 4425

Purnima M. Nair
Research Analyst
purnima.nair@careratings.com
91-022-6837 4405

Mradul Mishra (Media Contact)
mradul.mishra@careratings.com
91-22-6837 4424

Highlights

- Over the last fortnight, the market remained volatile with broad market indices and the Nifty Emerge index rose higher. However the BSE SME IPO Index fell for the period.
- PAISALO Digital signed a co-origination MSME loan agreement with the SBI to disburse loans to 2 lakh applicants in FY20.
- Allahabad Bank has launched over 50 Retail and MSME Processing Centres (RMPC) across India to ease loan processing for MSMEs.
- APAC Financial has launched a digital lending business to extend credit to the under-banked MSME sector.

1. Capital Market Movement

SME Index Movement



Source: NSE, BSE

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Index	29/03/19	15/04/19	% change
Nifty SME Emerge	1,504.88	1,531.92	1.8%
BSE SME IPO	1,757.83	1,737.54	-1.2%
BSE Sensex	38,672.91	38,905.84	0.6%
Nifty 50	11,623.90	11,690.35	0.6%

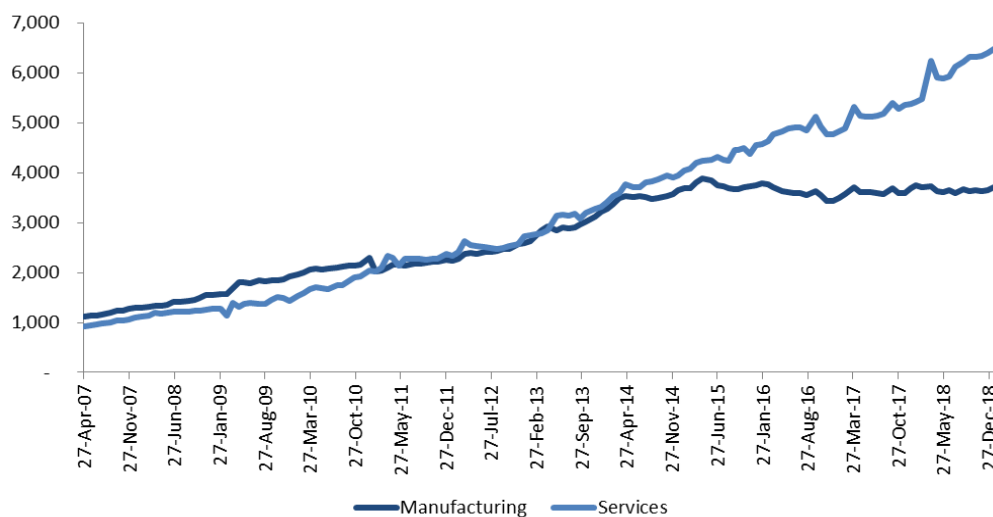
Source: NSE Emerge, BSE SME Platform

Upcoming IPOs

No	Company Name	Start Date	End Date	Issue Size (Rs. cr.)	Issue Price (Rs.)	Lot Size	Platform
1	V R Films	12-Apr-19	18-Apr-19	2.3	61	2,000	BSE SME

2. Sectoral Deployment of Credit

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



Source: RBI

Item	Outstanding as on (Rs. Bn)				Growth (%)	
	Mar. 30, 2018	Feb. 16 2018	Jan. 19 2018	Feb. 15 2019	FY so far 2018-19	Y-o-Y 2019
Micro & Small Enterprises	9,964	9,176	9,161	10,266	3.0%	11.9%
Manufacturing	3,730	3,703	3,738	3,727	-0.1%	0.6%
Services	6,234	5,472	5,423	6,540	4.9%	19.5%

Source: RBI

3. Key Developments

[Shopmatic to make its platform available for SMEs](#)

Shopmatic.com plans to make its platform available for SMEs at the cost of Rs 50 annually, with an aim to leverage the opportunities from the growing SME sector and aspiring entrepreneurs. The platform allows customers set up and manage their online store and pay 3% when they make a successful sale.

[SBI and Paisalo join hands to disburse loans to 2 lakh MSME applicants in FY20](#)

PAISALO Digital has signed a co-origination MSME loan agreement with the State Bank of India (SBI) to launch a platform to disburse loans to MSMEs. The loan ticket size is designed to be from Rs 10,000 to Rs 2 lakh.

[MSMEs to boost employment by creating 1 crore job opportunities: Nomura](#)

A report on the MSME sector by Nomura, stated that the sector has the potential to create up to 1 crore new jobs in the next 4-5 years. A renewed focus on import substituting segments will help the MSME sector to achieve the feat. Employment generation through MSMEs would aid the manufacturing sector in accommodating the growing labour force.

[Allahabad Bank launches 53 RMPC centres across the country](#)

Allahabad Bank launched 53 Retail and MSME Processing Centres (RMPC) pan India. This step is to make loan processing easy for MSMEs. The bank looks to enable existing and potential customers with hassle-free loan processing.

[MSMEs record 42% of volume transactions on the national procurement portal GeM](#)

The MSMEs registered on the Government e-Marketplace (GeM) recorded 42% of volume transactions on the platform. In FY19The GeM recorded over Rs. 23,000 crores in Gross Merchandise Value (GMV) through more than 17 lakh transactions on the platform. Further, the GeM signed a number of MoUs with the Ministry of MSME for facilitating training, capacity building and on boarding of manufactures and vendors across the country.

[APAC Financial launches digital based lending to MSMEs](#)

APAC Financial has launched a digital lending business to extend credit to untapped markets across the country, focusing on the under-banked MSME sector companies. The financial services group, which has started operations in Mumbai and Delhi looks to provide credit to the MSMEs and affordable housing sectors, based on alternate data, social behaviour, demographics, business vintage, etc.

CARE Ratings' presence in SME related activities



Ms. S. Uma, ASM and Mr. A. Jeevendran spoke on the "Importance of SME Ratings" with the LPG Gas Filling Trade Association on April 12, 2019 at Salem, Tamil Nadu.