

SME Roundup

February 15, 2019 | Research

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

Saurabh Bhalerao
Associate Director – Industry Research
Saurabh.bhalerao@careratings.com
91-22-6754 3519

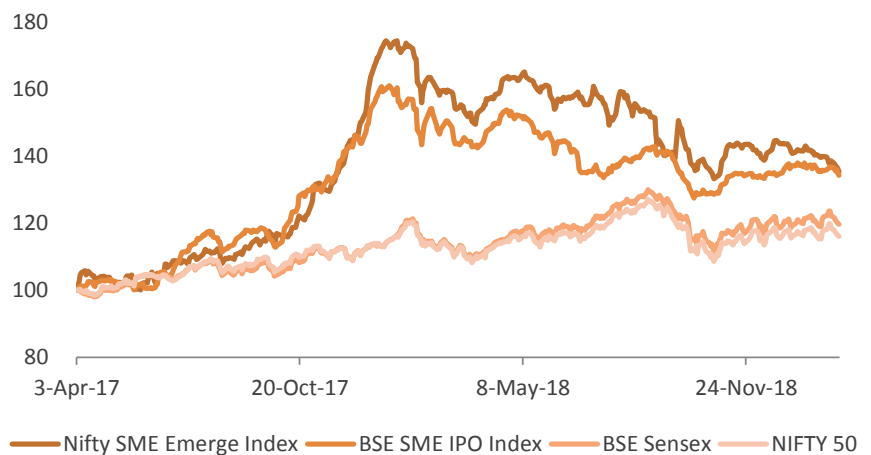
Mradul Mishra (Media Contact)
mradul.mishra@careratings.com
91-22-6754 3515

Highlights

- The stock markets remained volatile with broad market indices as well as the SME indices logging losses for the fortnight.
- The online portal psbloansin59minute has reportedly witnessed sanctions of around Rs. 30,000 crore loans since its launch.
- MSME Ministry reived its highest allocation ever in the recent union budget.

1. Capital Market Movement

SME Index Movement



Source: NSE, BSE

Index	31/01/19	15/02/19	% change
Nifty SME Emerge	1,502.52	1,452.89	-3.3%
BSE SME IPO	1,768.60	1,748.59	-1.1%
BSE Sensex	36,256.69	35,808.95	-1.2%
Nifty 50	10,830.95	10,724.40	-1.0%

Source: NSE Emerge, BSE SME Platform

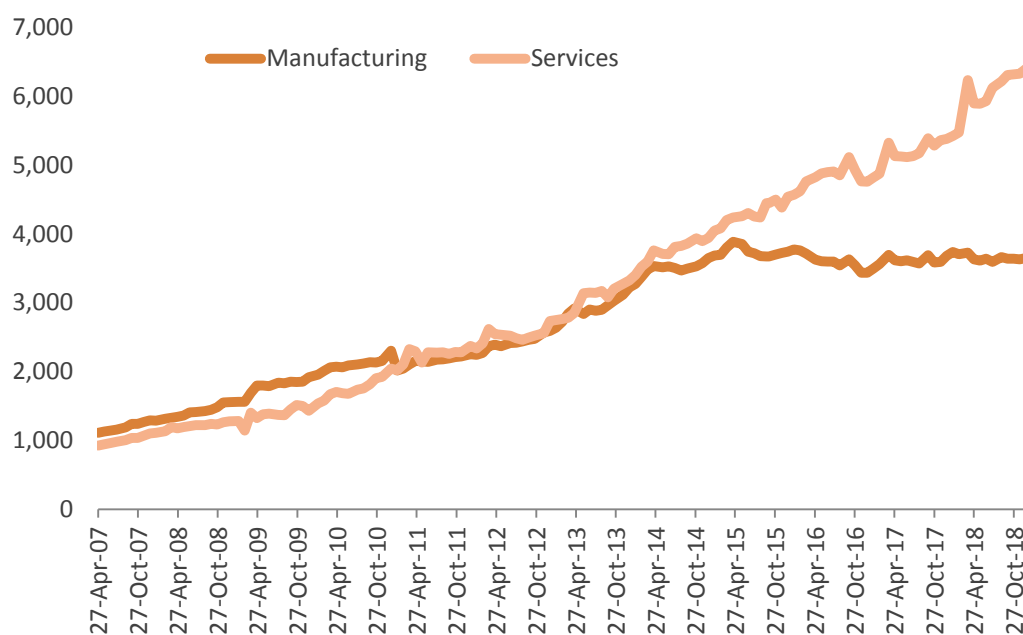
Disclaimer: This report is prepared by CARE Ratings Ltd. CARE Ratings has taken utmost care to ensure accuracy and objectivity while developing this report based on information available in public domain. However, neither the accuracy nor completeness of information contained in this report is guaranteed. CARE Ratings is not responsible for any errors or omissions in analysis/inferences/views or for results obtained from the use of information contained in this report and especially states that CARE Ratings has no financial liability whatsoever to the user of this report

Upcoming IPOs

No	Company Name	Start Date	End Date	Issue Size (Rs cr)	Issue Price	Lot Size	Platform
1	Mindpool Technologies Limited	14-Feb-19	20-Feb-19	3.60	30	4,000	NSE Emerge
2	Jonjua Overseas Limited	12-Feb-19	15-Feb-19	1.30	10	10,000	BSE SME
3	Kranti Industries Limited	14-Feb-19	20-Feb-19	8.58	37	3,000	BSE SME
4	Gleam Fabmat limited	19-Feb-19	22-Feb-19	3.12	10	10,000	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	Dec. 22, 2017	Nov. 23, 2018	Dec. 21, 2018	FY so far 2018-19	Y-o-Y 2018
Micro & Small Enterprises	9,964	9,066	9,957	10,047	0.8%	10.8%
Manufacturing	3,730	3,683	3,630	3,650	-2.1%	-0.9%
Services	6,234	5,383	6,327	6,397	2.6%	18.9%

Source: RBI

3. Key Developments

[MSME Ministry allocated Rs.7011 Crore in Budget 2019-20](#)

Mr. Piyush Goyal, Union Minister for Finance, Corporate Affairs, Railways & Coal, presented the Interim Budget 2019-20 and highlighted several measures to strengthen the MSME sector. The MSME Ministry has received its highest allocation ever of Rs.7011.29 crore in the Budget of 2019-20

[Banks clear MSME loans worth Rs 30,000 crore via 59-Minute portal](#)

The psbloansin59minutes portal — a central government initiative to provide in-principle approval for small business loans of up to Rs 1 crore from public sector banks and Sidbi in less than an hour — has witnessed around Rs 30,000-crore loans sanctioned since its launch in September. The portal witnessed 24,000 new borrowers who took loans through this portal of around Rs 6,400 crore and over 68,000 repeat borrowers were sanctioned loans of around Rs 23,439 crore.

[Cabinet approves continuation of Credit Linked Capital Subsidy and Technology Up-gradation Scheme](#)

The government has approved the Credit Linked Capital Subsidy and Technology Up-gradation Scheme (CLCS-TUS) with a total outlay of Rs. 2,900 crore for the 2017-18 to 2019-20 period. This scheme aims at improving the competitiveness of MSMEs by integrating various ongoing schematic interventions aimed at up-grading technology through Credit Linked Capital Subsidy (CLCS), zero defect zero effect manufacturing (ZED), increasing productivity through waste reduction (Lean), design intervention (Design), cloud computing (Digital MSMEs), facilitation of intellectual property (IPR) and nurturing new ideas (Incubation).

[MSME exports cross USD 147390 Million in 2017-18](#)

Mr. Giriraj Singh, Minister of State (Independent Charge) for MSME, stated that as per DGCIS, the value of MSME related products' exported during 2017-18 has reached USD 147,390.08 million from USD 127,992.76mn in 2012-13.

CARE Ratings' presence in SME related activities



Mr. Nikhil Soni, Senior Manager, spoke on the Importance of Credit Rating and Challenges for Indian SMEs at Women's Entrepreneurial Empowerment Workshop organised by FORTI and NSIC.