

BSE's SME exchange goes live with BCB Finance listing

NSE too launches SME platform

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The Bombay Stock Exchange's (BSE) platform for small and medium enterprises (SMEs) became operational today with the listing of BCB Finance.

Shares of BCB Finance opened at ₹27 on the BSE SME Exchange, eight per cent higher than its issue price. The stock finally closed at ₹25.70. Total traded quantity on the counter was 276,000 shares.

The Mumbai-based non-banking finance company, which raised ₹8.85 crore through the public issue of 3.54 million equity shares, is the first company to list on the SME Exchange.

"The SME exchange hopes to list 10 companies in FY12 and

nearly 100 companies on its trading platform in the next 18 months," BSE managing director and chief executive Madhu Kannan told PTI after inaugurating the SME Exchange.

BSE's cross-town rival National Stock Exchange (NSE), too, announced today the launch of its SME platform: Emerge.

NSE managing director and chief executive officer Ravi Narain said junior platforms have succeeded globally coordinated efforts through exchanges, merchant bankers and investors, including angel investors and VC/PE community. "We are confident India today has all the ingredients for the platform to become an engine of growth for deserving companies to raise capital in an efficient manner," he added.

The government has been taking a number of schemes for

SMEs, according to R K Mathur, Secretary in the ministry of micro, small and medium enterprises. Reason: the administration "is facing the challenges of globalisation, higher cost of funds, knowledge management technology upgradation, infrastructure constraints".

The growth in credit to the SME sector is up by 33 per cent at ₹4 lakh crore this financial year. It needs a whopping ₹4.7 lakh crore in loans and ₹2.5 lakh crore equity, Mathur said, adding the SME exchanges will provide the required platform for raising funds. SMEs contribute 15 per cent to the gross domestic product (GDP), Mathur said. "We are looking at raising the contribution to 22 per cent to the GDP," he added.

In September last year, the Securities and Exchange Board of India had granted permission to BSE and NSE to launch their SME platforms.