

FUNDRAISING THROUGH SME IPOs HITS RECORD HIGH



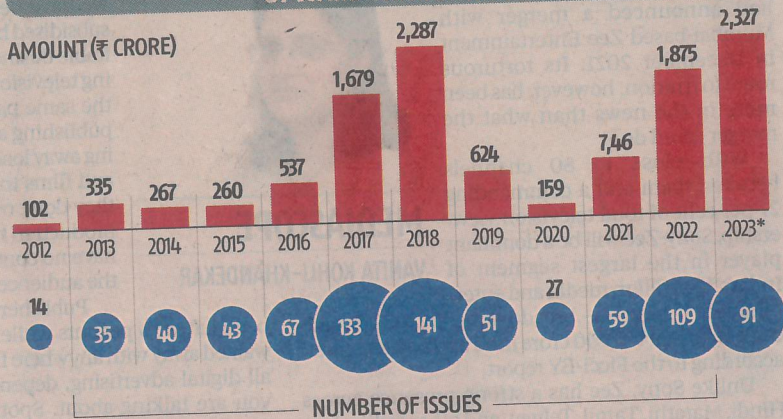
Volatile market conditions notwithstanding, small and medium enterprises' (SMEs') initial public offerings (IPOs) have seen a record run in 2023. So far this year, 91 companies have raised close to ₹2,327 crore through their maiden offerings on the SME platforms of the BSE and the National Stock Exchange (NSE). The capital mobilised through SME IPOs is the highest since their introduction in 2012.

The SME segment is for smaller enterprises raising lower amounts, while the mainboard is for listing larger, more mature companies. Bankers, high net-worth

individuals (HNIs) and savvy investors have shifted their focus on SME IPOs, with mainboard IPOs drying on the mainboard during the beginning of the year. While there were no mainboard IPOs in the first two months of this year, the SME exchanges saw 21 issues during the same period. Moreover, most of the companies coming with issues through the SME platform are looking for growth capital, which is also attracting HNIs.

SUNDAR SETHURAMAN

UPWARD TRAJECTORY



Note: 2023 figures are until August 10

Source: Prime Database