



Arthanaad 2024: Unlocking potential: The Journey of listed SMEs

Student competition: Merger Mubarak on December 19, 2024

Venue: CIMR, Bandra East, Mumbai

Industry Conclave on December 21, 2024

Venue: Bal Gandharva Rang Mandir, Bandra West, Mumbai

Introduction:

Arthanaad, the annual conclave organized by the Finance students of Chetana's Institutes of Management and Research was started in 2017 to provide a platform for the Finance specialization students to connect with senior industry professionals in the world of finance. Since its inception, the forum has conducted events on topical themes ranging from capital markets to banking and investments and has witnessed a galaxy of industry stalwarts as speakers at the event.

Arthanaad comprised of one student competition 'Merger Mubarak' on 19th December 2024, and Industry Conclave on 21st December, 2024.

Background of the theme:

Small and Medium-sized Enterprises (SMEs) have emerged as a highly vibrant and dynamic sector of the Indian economy over the last five decades. They not only play a crucial role in providing large employment opportunities at comparatively lower capital cost than large industries but also help in industrialization of rural & backward areas, thereby, reducing regional imbalances, assuring more equitable distribution of national income and wealth. SMEs are complementary to large industries as ancillary units and this sector contributes enormously to the socio-economic development of the country.

The SME financing got a boost when SEBI prescribed a framework for recognition and supervision of platforms for small and medium enterprises in November 2008. SME IPOs have witnessed a surge in recent years particularly 2022-23 onwards. Since, the establishment of SME platforms, FY 2023-24 witnessed the highest number of SME public issue and highest SME fund raising with 196 IPOs tapping the market to mobilize more than Rs. 6000 crore. Currently, as per SEBI regulation 280(2), listed SMEs with market capitalization beyond Rs.25 crores and at least 2-years on SME platform can migrate to Main Board subject to the approval of the exchange. Since operationalization of SME Exchange on

NSE and BSE, 322 SME companies have migrated to Main Board (140 from NSE SME Exchange and 182 from BSE SME Exchange). SME listed companies are typically promoter driven or family business companies with a high concentration of shareholding. SME IPOs are also connected with diversion of issue proceeds to related parties or shell companies, and fraudulent trading.

Arthanaad 2024 explored the issues and challenges of listed SMEs to answer the following questions:

- a. What are the opportunities and challenges faced by publicly traded SMEs?
- b. Have the SMEs benefitted from listing? Does it help them in easier access to financing after listing?
- c. Have SME investors like Angel investors, PE-VC and retail benefitted from listing?
- d. How do the returns for SME shares compare with main board stocks?

Student competition: Merger Mubarak on December 19, 2024

What if an SME is merged with another company, SME or Main board? Can we create 'Made for each other' bond? Will such 'tying of knot' be financially profitable and operationally value creator?

Students of Chetana's Institute of Management & Research answered such questions in a competition called 'Merger Mubarak' on 19th December that was a part of Arthanaad, the annual finance flagship event.

All the second-year student teams created hypothetical M&A pitch decks for Listed SME and Mainboard Companies, showing the valuations, swap ratio and post-merger synergy, both in quantitative and qualitative terms.



Judges:

1. Anuj Desai, Startup and SME specialist and
2. Vineet Gupta, Vice President, TickerPlant Ltd.
3. Prof. Akhilesh Yadav, Finance faculty, CIMR



All the second year finance students got the opportunity for working on complete analysis of two listed companies using their valuation skills, equity research concepts, and capital market theories. Judges not only evaluated all the proposals on various grounds ranging from presentation to technical aspects, but also guided students with their detailed questioning and constructive feedback.

Even the first-year students got the exposure to the theme by Kiosk decoration competition based on the theme.



The prizes for the Merger Mubarak Pitchbook competition were Rs.15,000, Rs.10,000 and Rs.5,000 for the first three winners. For first-year students also trophies were given to encourage them.



Merger Mubarak was a perfect platform for students to practice their knowledge and skills as well as showcase that in front of industry guests.

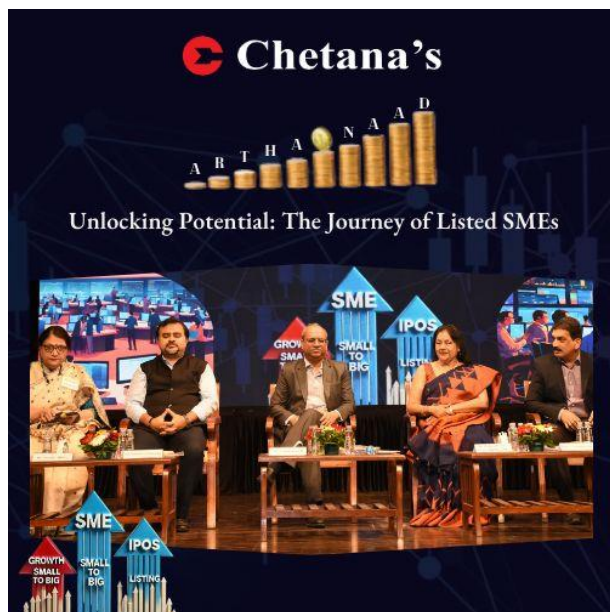
Arthanaad Conclave on December 21, 2024 had inaugural session with chief guest address and keynote speech followed by panel discussion of industry experts. The conclave concluded with the prize distributions.

The inaugural session began with Saraswati Vandana and digital lamp lighting. Dr. Madhumita Patil, CEO-CIMR & CRKIMR gave her blessings and declared the event open. Dr. Nandita Mishra, Director CIMR unveiled the thought process behind the choice of the

theme of the year which is so relevant to the students as well as industry today. Prof. CA Suhas Garat, Director CRKIMR delivered an address to the students encouraging them to learn and aspire more.

The inaugural session was graced by Mr. Deepak Trivedi, CGM, SEBI, as the Chief Guest. Mr. Deepak shared his experiences about the SEBI's initiatives and capital market reforms. His speech inspired the students with his engaging market talk.

Mr. Subhadeep Manjumdar, Chief Manager in Primary Market Relationship Department, NSC, delivered the keynote address sharing the listing process at NSE SME platform, and capital market for SMEs. The data, details and examples presented by him mesmerised the invitees and students.



Members of Panel Mr. Sumit Poddar, Founder & CIO - Tikona Capital, Mr Amit Kumar, Founder - MSMEEx, Mr. Parin Savla, VP - Axis Capital discussed key insights of SMEs challenges, current market situation, benefits, growth opportunities, support and regulatory policies with audience. The panel discussion was moderated by Dr. Chirag Shah, associate professor – CIMR in an engaging manner.



Conclusion:

Arthanaad 2024 was a resounding success, providing a platform for thought leaders, experts, and students. The conclave not only facilitated knowledge sharing but also encouraged innovative thinking among the next generation of financial professionals. Arthanaad 2024 was a testament to the commitment of CIMR in fostering excellence in the field of finance. The event concluded with a vote of thanks by Prof. Rabindra Kumar, area chair-finance, CIMR.

We look forward to Arthanaad 2025 with great anticipation, as it continues to be a premier event in the world of finance.