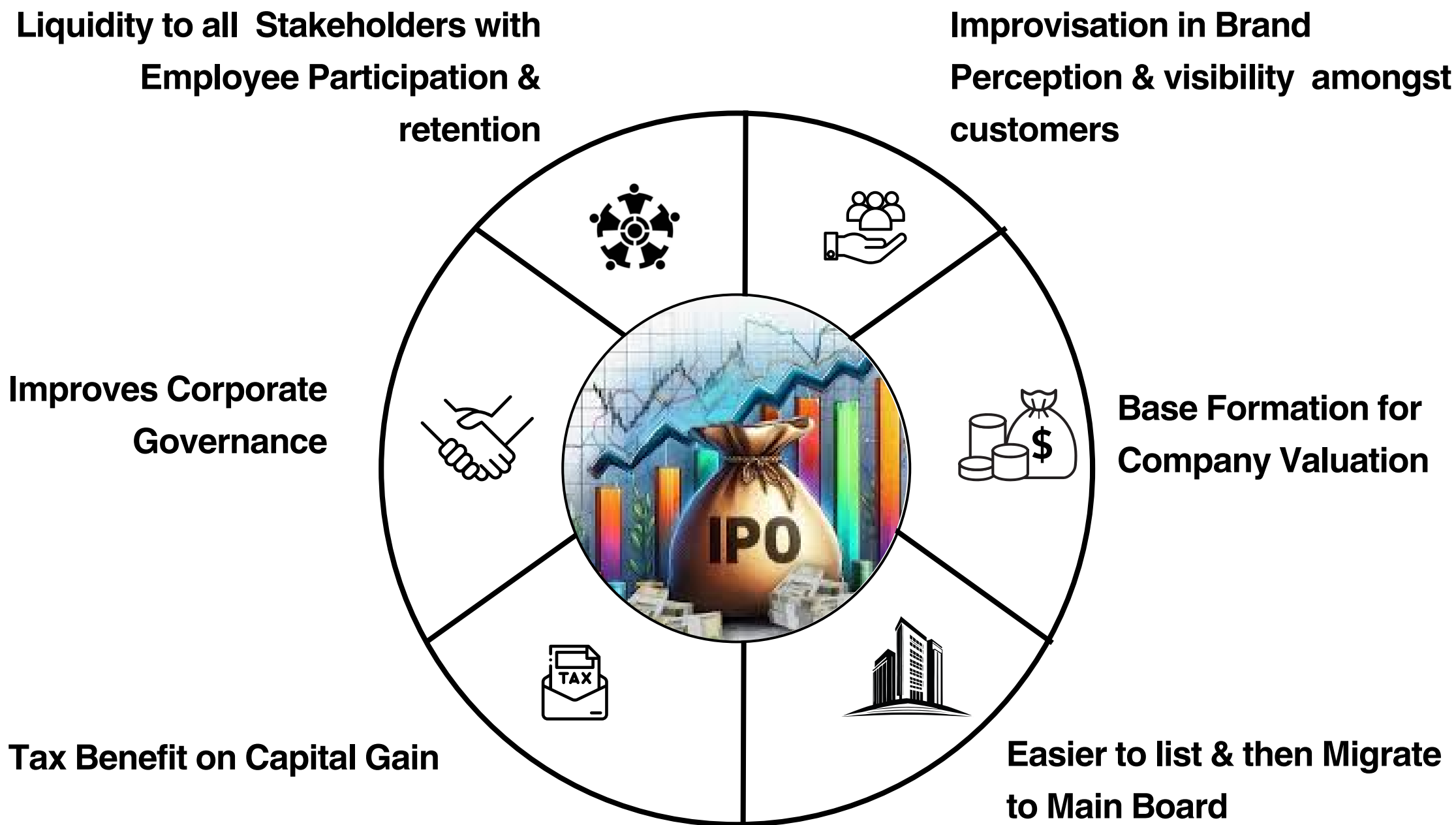


A Brief Overview on SME IPO Process



A Strategic Growth Opportunity

Merits of Listing an SME IPO



BSE SME Listing Metrics#

No. of Companies Listed till date	533
Mkt Cap of Cos. Listed (Cr.)	2,03,644
No. of Companies Migrated	191

#As of 12th December 2024

NSE EMERGE Listing Metrics*

No. of Companies Listed till date	501
Mkt Cap of Cos. Listed (Cr.)	~1,75,000
No. of Companies Migrated	139

*As of 23rd July 2024

Listing criteria & conditions :

Post issue paid up capital must not exceed 25 crores

Net worth should be at least ₹1 Cr in each of the last 2 full financial years.

Net tangible assets should be at least ₹3 Cr in the preceding full financial year.

The track record of applicant company seeking listing should be at least 3 years.

Positive cash accruals (EBITDA) must be recorded in at least 2 out of the last 3 completed financial years.

Leverage ratio post-IPO should not exceed 3:1, with relaxation possible for finance companies.

Minimum promoter dilution of 26.25%, with 25% to the public and 1.25% to the market maker.

At least 50 investors are required as minimum subscribers.

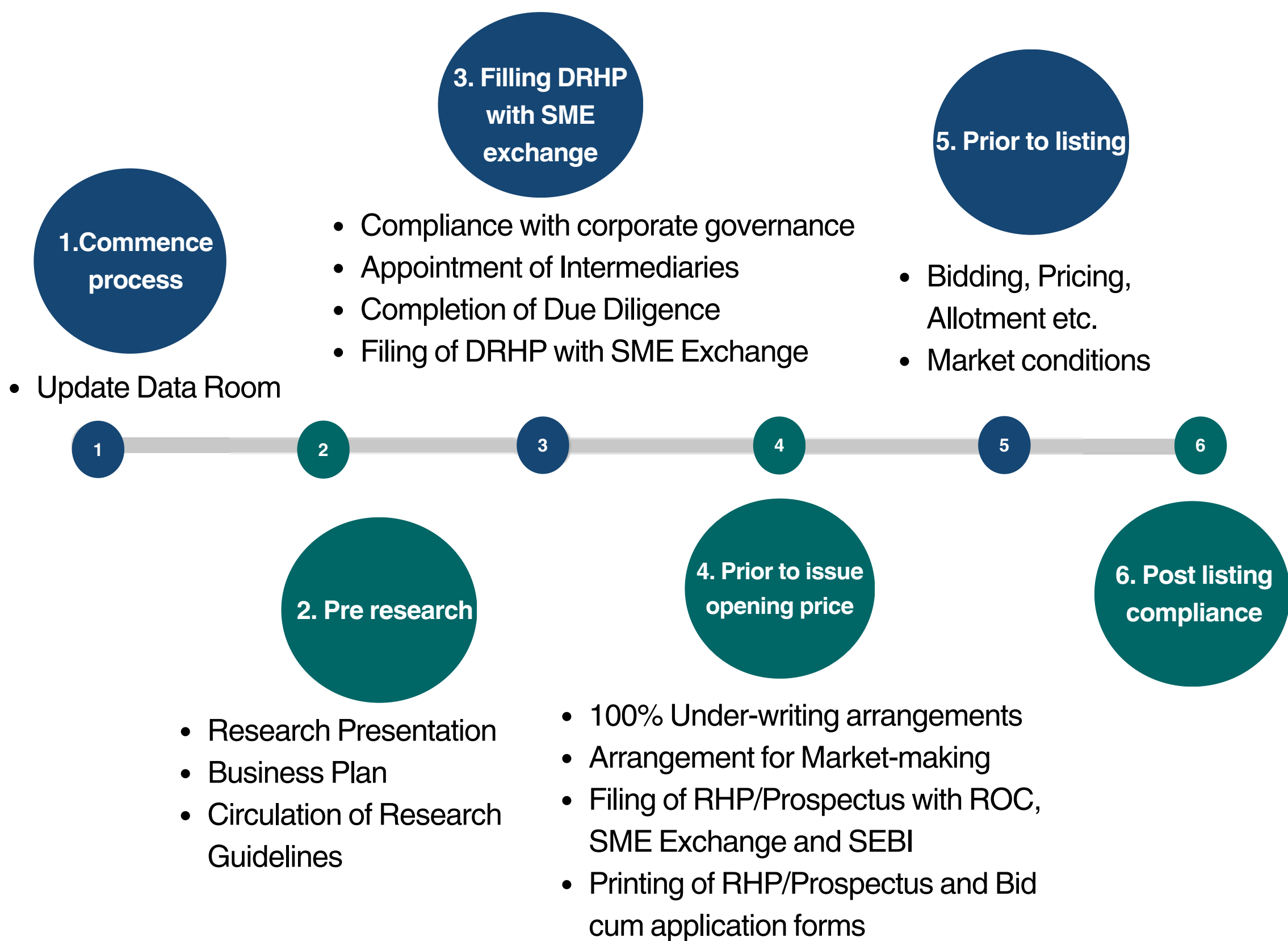
100% underwriting is mandatory for the IPO.

Market making is compulsory for a period of 3 years.

Migration to the main board is allowed after 3 years subject to satisfaction of migration conditions.

The trading lot size must be a minimum of ₹1,00,000.

Timeline of SME Exchange Listing



Stakeholders & Participants in Listing Process



How can Kreo Capital help?

Kreo Capital Private Limited is a **SEBI-registered Category-I Merchant Banker** and we provide tailored merchant banking services to support companies throughout their IPO journey and post-listing activities. With deep expertise in SEBI's ICDR guidelines, we offer strategic guidance to companies preparing to raise capital in public markets for the first time.

Our services include:

- Pre-IPO Planning & Readiness Assessment
- Balance Sheet Advisory & Presentation
- Business Plan Review & Diligence
- Capital Structuring & Pricing Strategy
- Guidance on Promoter Contributions & Shareholding Structure
- Assistance with Board Resolutions & Corporate Governance
- Preparation of Information Memorandum & DRHP
- Coordination of Due Diligence & Credit Rating Advisory
- Appointment of Key Intermediaries & Consultants
- IPO Launch Support & Successful Listing on Stock Exchanges

We act as an independent partner, providing a crucial buffer between the company and regulatory bodies, ensuring a seamless transition from private to public company status. Kreo is committed to supporting our clients from inception to successful IPO execution and beyond.

References & Sources

All sources and links used

BSE SME listing metrics as of 12th December 2024 :

<https://m.bseindia.com/smemarket.aspx>

NSE EMERGE listing metrics as of 23rd July 2024 :

https://nsearchives.nseindia.com/web/sites/default/files/2024-07/PR_cc_23072024.pdf

Number of companies migrated from NSE EMERGE :

<https://www.nseindia.com/companies-listing/raising-capital-public-issues-emerge-selecting-a-migration-to-main-board>

BSE SME listing criteria :

<https://www.bsesme.com/static/getlisted/criteriaisting.aspx?expandable=0>