

Headline: Uttar Pradesh SMEs raising funds from capital market

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Uttar Pradesh is a large hub of Small and Medium Enterprises (SME) and has the advantage of several industrial clusters spread across its geography.

With the advent of technology, even the SMEs have started to dream big and reach out to their prospective customers across the globe proactively. The expansion of such businesses requires investment and the companies may need to raise capital from external sources.

Apart from taking loans from banks, the more progressive of the firms have now started raising funds by going public through Initial Public Offering (IPO).

In this context, Kanpur-based Jet Knitweaves has become Uttar Pradesh's first hosiery company to go public through this route. The company has listed on National Stock Exchange's (NSE) 'Emerge' platform dedicated to SMEs and other emerging corporates in India.

Emerge allows the raising of funds by companies, which are on a sustained growth path, but not large enough to list on the NSE main board.

Jet's public issue was open for subscription during September 27-29, 2016.

Jet had the company had floated the public issue of over a million shares having face value of Rs 10 each for cash at a price of Rs 39 each, including

premium of Rs 29 apiece. It has mopped up over Rs 4.22 crore from the IPO.

The issue was oversubscribed 3.76 times, which amply showed the confidence of public in the growth prospects of the company, Jet Knitweaves Limited managing director Balram Narula said.

He even termed the success of the Jet IPO as a success for the entire SME space in UP and the large untapped potential for their future growth by going public.

The company was incorporated as Jet Knitweaves Private Limited under the provisions of the Companies Act, 1956. Subsequently, its name was changed to Jet Knitweaves Limited in April 2015.

