

Headline: NSE wants 'Money Bug' to Enter Classrooms

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NSE Wants 'Money Bug' to Enter Classrooms

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Vijayawada: National Stock Exchange (NSE), Mumbai, the youngest and yet the largest in trade volume in equity and derivative segments, is keen that money bug should bite the children at a young age.

The NSE is in talks with the AP state government for introducing "money bug" in school curriculum to psychologically condition students on money dynamics even as they graduate from school.

According to NSE Business Development Chief Ravi Varanasi, they already had money basics introduced in school curriculum in Tamil Nadu and four northern states. In other words, the lessons would be on money, its "behaviour," the interest that it would earn when invested wisely, how it loses its value over a period of time which is otherwise known as the effect of inflation and how money in one's hand could be in-



National Stock Exchange business development chief Ravi Varanasi in Vijayawada on Monday | EXPRESS PHOTO

vested in such a way that deterioration in its value due to inflation is taken care of and if possible earn a few bucks extra.

"We are in talks with the AP government and it is showing interest in our proposal," Varanasi said and recalled how NSE had taken a proactive role in offering specialisation in graduation and MBA pro-

grammes offered by universities across the country. The specialisation deals with financial markets and how they function. In CBSE, we already have a module on markets in standard nine to 12," he said.

Referring to SMEs which find it hard to mobilise money for their expansion needs, he said that the NSE was helping them raise

funds by going public. "As they happen to be small companies, whose risk profile is somewhat different from that of bigger ones, the minimum investment by any investor should be not less than ₹1 lakh. This is to discourage retail investors from investing in them as possibility of losses would be more after the shares are listed in the exchange. These SMEs, which need "hand holding" help from the NSE would have to have paid up equity which should be less than 25 crore post dilution of its 25 per cent equity.

He said there were investors who are keen to invest in quality companies among SMEs which have potential to grow. "If a right company comes along, investors are ready to park their money in them as returns would sometimes be phenomenal," he said, and pointed out that before helping the companies go in for public issue, due dili-

gence would be done on the kind of business they do and how they are doing it and whether they are not "fly by night" operators.

"There would be merchant banker anyway to take care of this since he would have to bear loss if the company turns out to be substandard and the share prices crash on listing in exchanges. This apart, we will have rating agencies like CRISIL and CARE do the due diligence study before the company applies to SEBI for clearance for going public. These safeguards would be taken in the interest of the investors too," Ravi Varanasi said.

He said the NSE was holding meetings with SMEs to clear their doubts and help them to raise money from markets. "In Vijayawada, there are 20 such companies with whom we had already started a dialogue to help them to go in for equity dilution to mobilise resources," he said.