


SME & STARTUPS IPO AN OPPORTUNITY TO CAPITALIZE



TIME TO DREAM BIG
TIME TO GO FOR IPO

Redefine
Growth

Raise
Funds

Minimal
Compliances

Wealth
Creation

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SME MARKET**



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Small and Medium Enterprises (SMEs) are a major driver for Economic growth. This is evident from the fact that SMEs employ around 40% of the Indian workforce. Also they contribute a mammoth share of around 45% to Indian Manufacturing sector and 40% to Exports.

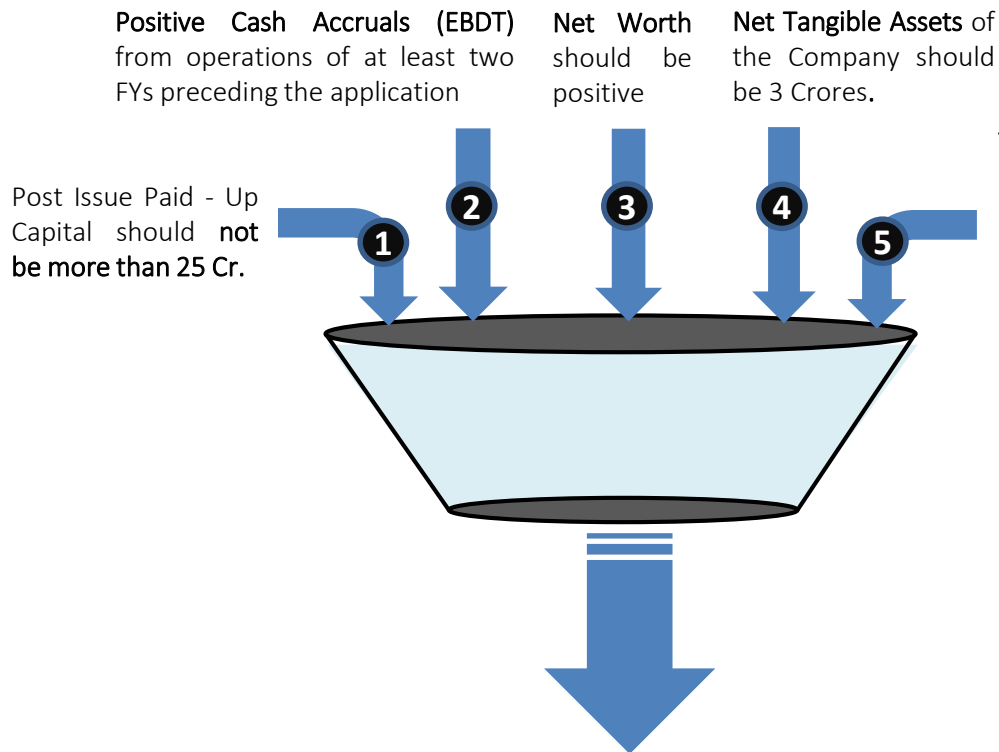
One of the much needed break through for SME market was provided, when a *Dedicated Exchange Platform* for Listing of SME was launched. This has opened the gates for raising funds from Capital Markets by the SMEs and has multiplied the opportunities for SMEs and its Investors in the long run.

Becoming listed is just the beginning of a long journey for a Company. This is where we can provide continuity by maintaining sustainable advisory services, helping clients to develop the characteristics which define powerful organizations in the capital market environment.

“A startup is a company working to solve a problem where the solution is not obvious and success is not guaranteed”, it represents the journey from concept to reality. India is one of the best countries to start an idea. With the surplus advantage of a huge target market, so many needs and a technological strong growing economy, India is stepping towards becoming one of the world's strongest markets.

In order to incentivize startup companies, the BSE exchange announced the creation of a new sub-segment within the existing SME (small and medium enterprise) segment and has launched the BSE SME – STARTUPS Segment.

LISTING CRITERIA



Track Record:

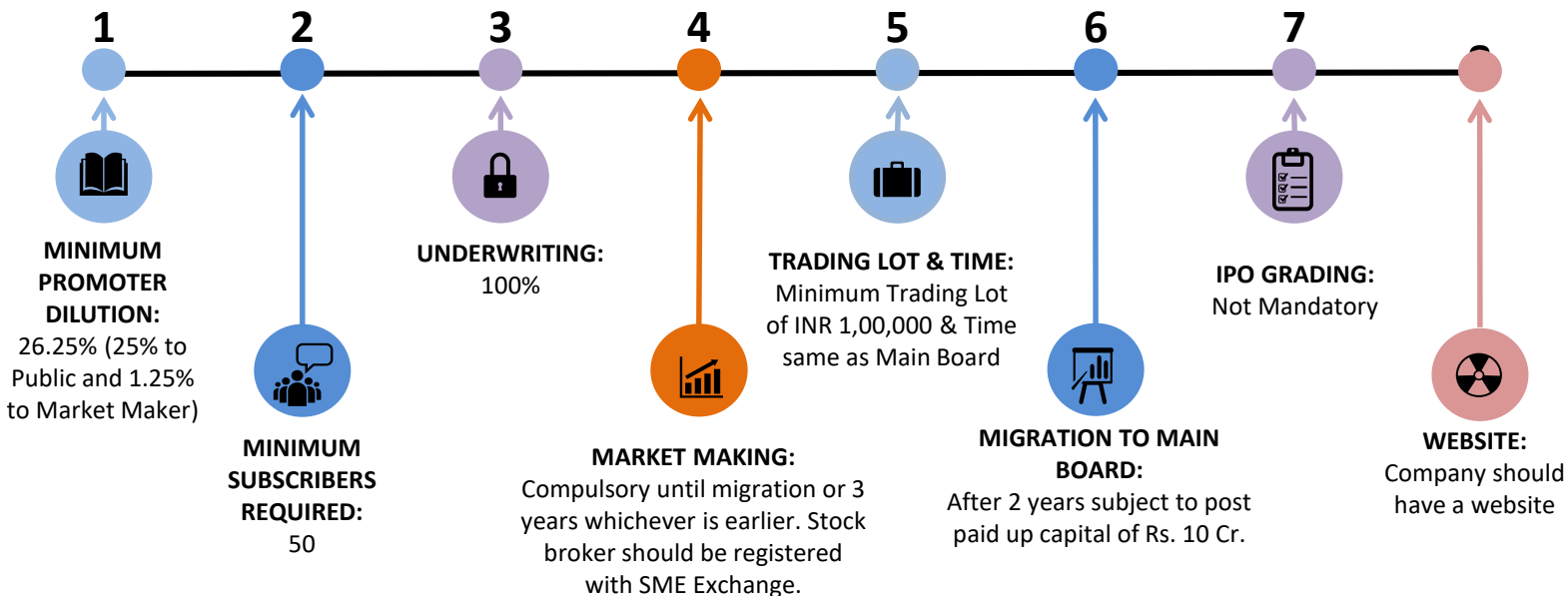
1. Combined Track Record of 3 years (Partnership / Proprietorship / LLP firm / Firm converted to Company)

OR

2. In case the Company has not completed its operation for 3 years, then the Company / Partnership / Proprietorship / LLP should have been funded by way of loan / equity by Banks or Financial Institutions or Central or State Government or its undertaking, or its Group Company should have been listed for at least 2 years either on the Main Board or SME Board of the Nationwide Exchange

COMPANY QUALIFIES FOR GETTING LISTED ON SME PLATFORM

OTHER CONDITIONS



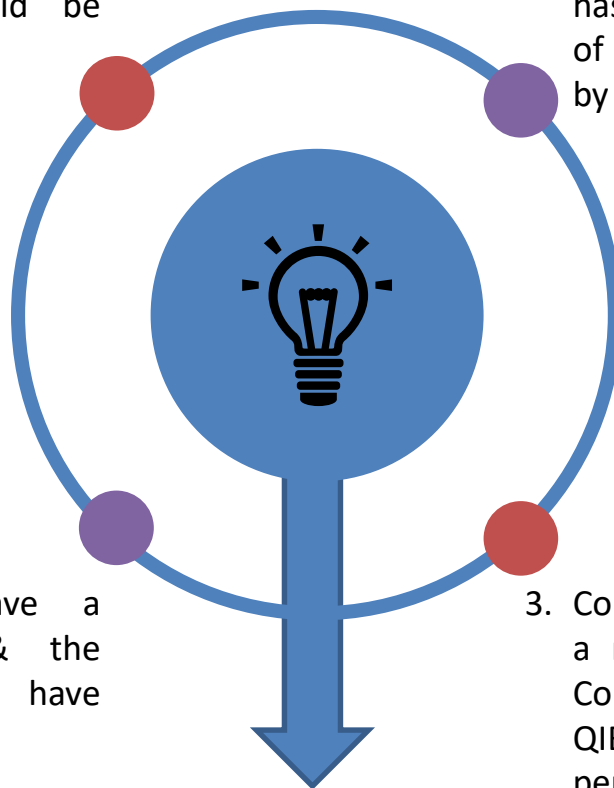
BSE SME STARTUPS platform allows Companies from the following sectors to be listed on BSE SME STARTUPS Platform:

- IT & ITES
- Bio-technology and Life Science
- 3D Printing, Space technology and E-Commerce
- Hi - Tech Defence, Drones, Nano Technologies
- Artificial Intelligence, Big data, Enhance/Virtual Reality, E-gaming
- Exoskeleton, Robotics, Holographic Technology, Genetic Engineering
- Variable Computers Inside body computer technology
- Other Hi-tech based companies.

LISTING CRITERIA

1. Company to be registered as start-up on MSME / DIPP or Paid-Up Capital should be minimum 1 Cr.

2. There should be no winding up petition against the Company that has been accepted by NCLT & none of the promoters shall be debarred by any regulatory agency

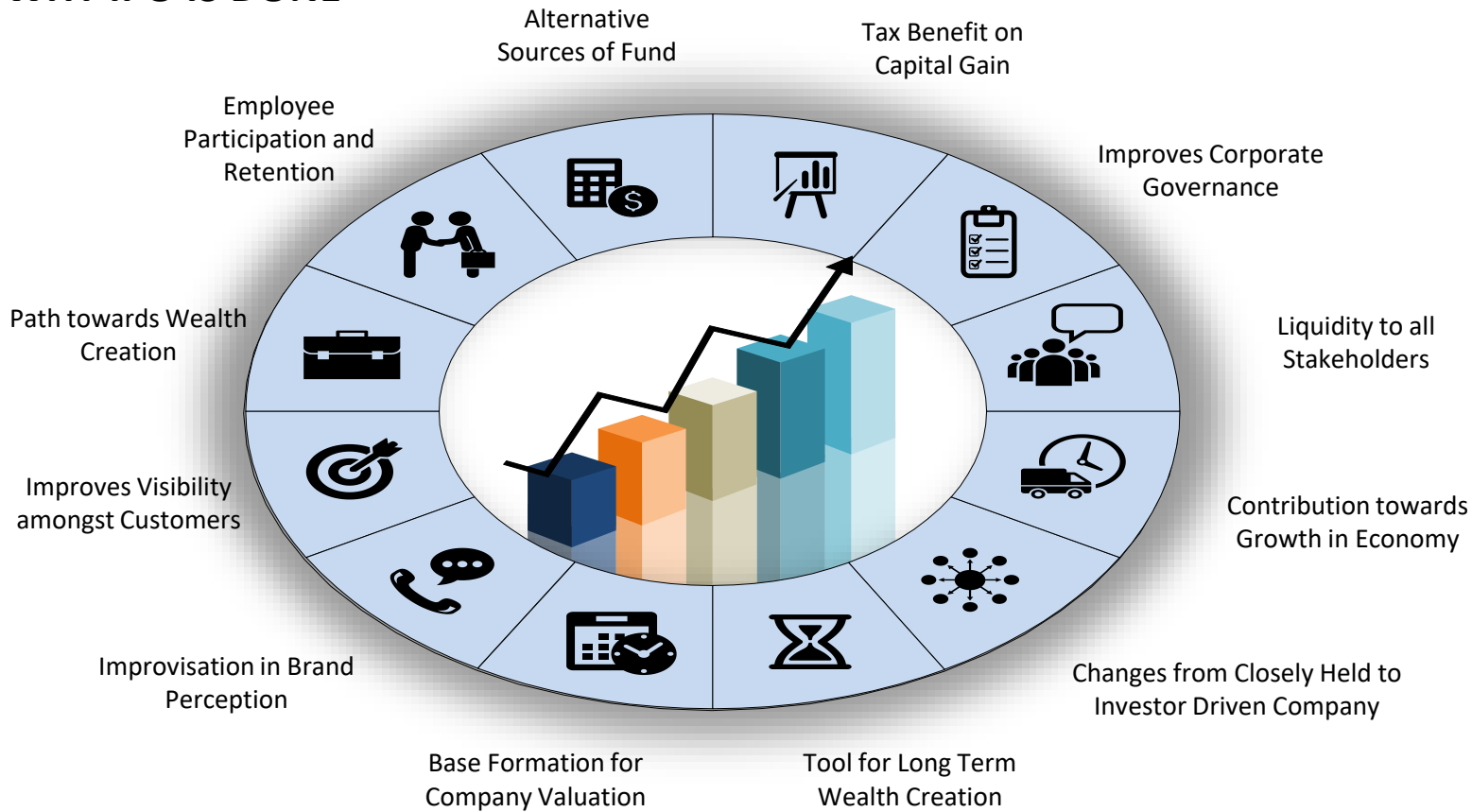


4. Company should have a Positive Net Worth & the Company should not have been referred to NCLT

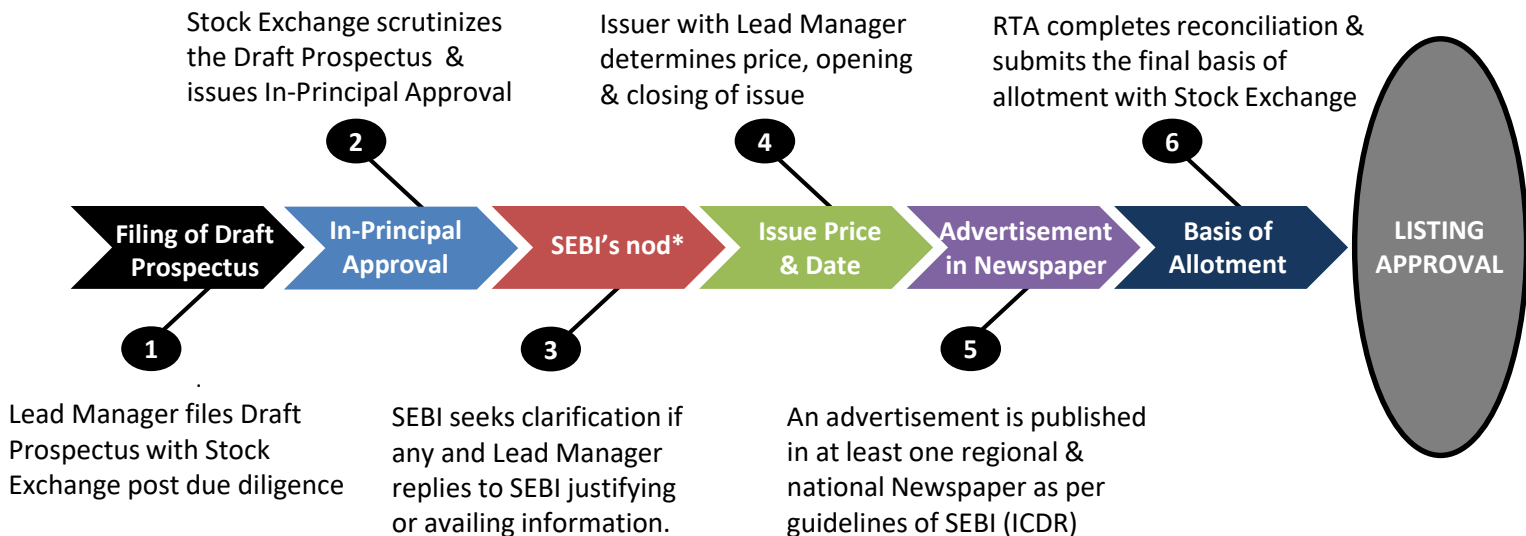
3. Company should be in existence for a minimum period of 2 years & Company shall have Investment of QIB / Angel Investors for min. period of 2 years.

COMPANY QUALIFIES FOR GETTING LISTED ON STARTUPS PLATFORM

WHY IPO IS DONE



HOW IPO IS DONE



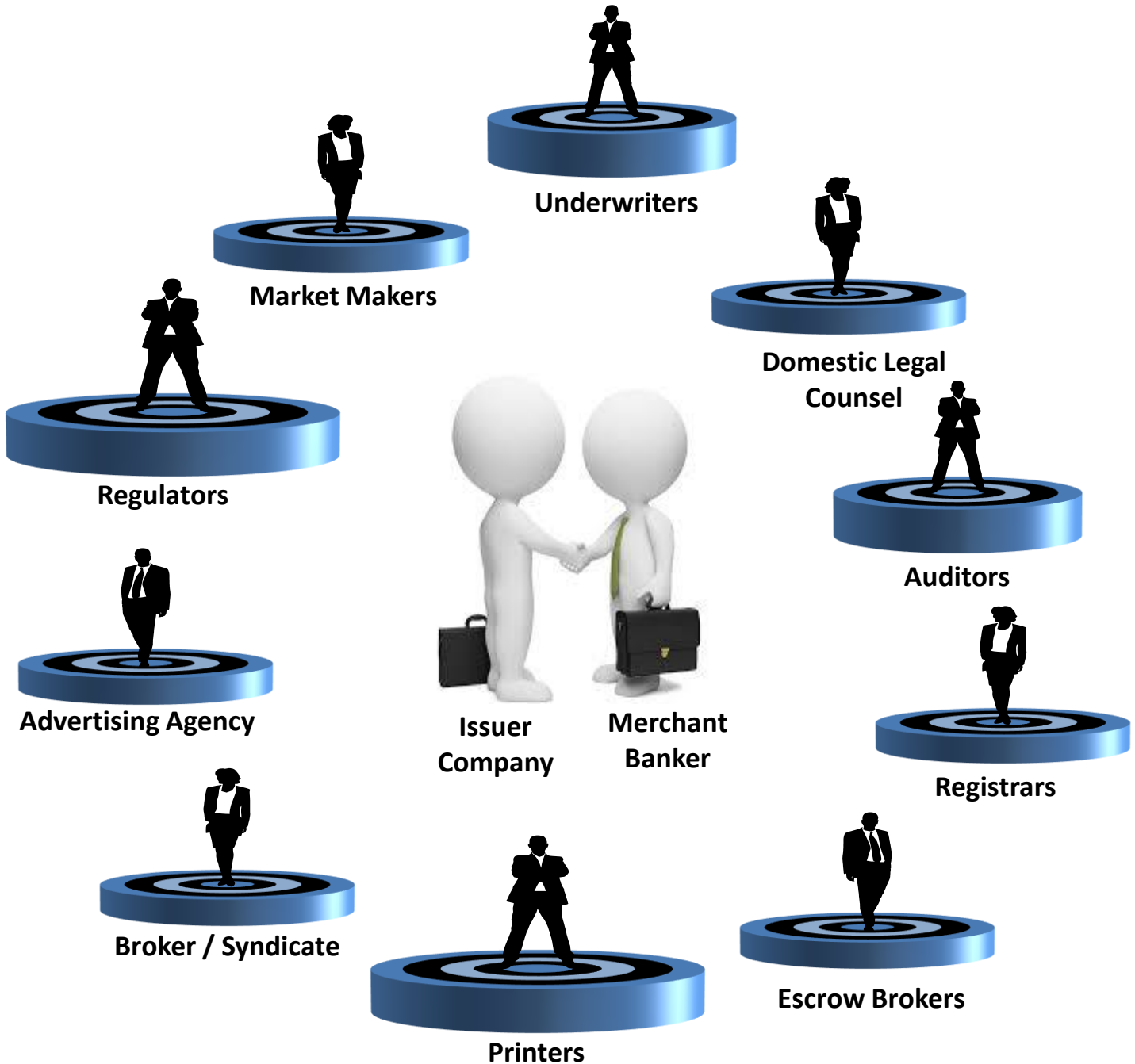
Note : *It is applicable to Companies getting listed on Main Board only.

CRITERIA

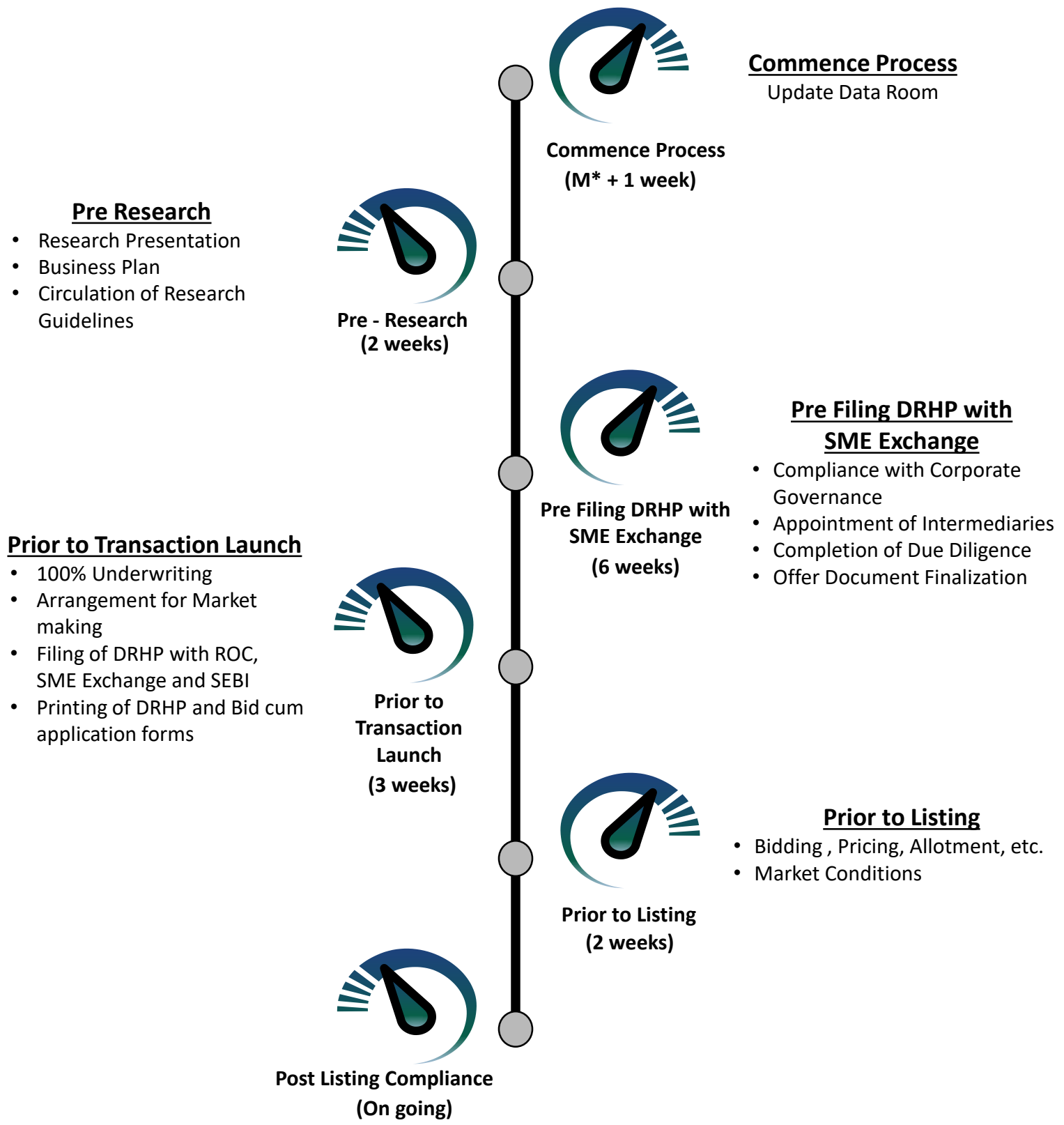
PARTICULARS	STARTUPS	SME IPO	MAIN BOARD IPO
Track Record	<ul style="list-style-type: none"> Track record of at least 2 years 	<ul style="list-style-type: none"> Track record of at least 3 years 	<ul style="list-style-type: none"> Track record of at least 3 years
Profitability and Net-Worth	<ul style="list-style-type: none"> Positive Net worth 	<ul style="list-style-type: none"> Positive Cash Accruals (EBDT) from operations for two years Positive Net worth 	<ul style="list-style-type: none"> Minimum Average Operating Profit of INR 15 cr during any 3 years out of preceding 5 years. Net worth of at least one crore rupees in each of the preceding three full years.
Net Tangible Assets	-	Net Tangible Assets shall be atleast 3 Crores	Net Tangible Assets shall be atleast 3 Crores
IPO Grading	Not Mandatory	Not Mandatory	Mandatory
QIB Allotment	Not Compulsory	Not Compulsory for Fixed Price Issue	Compulsory
Post-Issue Paid Up Capital (FV)	Less than INR 25 Cr	Less than INR 25 Cr	Not less than INR 10 Cr.
Minimum Number of Allottees in IPO	50	50	1000
Observations on DRHP	By Exchange	By Exchange	By SEBI
Market Capitalization Issue Size	No restriction	No restriction	INR 25 Cr
IPO Application size	Not less than INR 1 lakh	Not less than INR 1 lakh	INR 10000 – INR 15000
Tentative Timeline	3-4 months	3-4 months	8-10 months
Need for SEBI approval	Not Required	Not Required	Required

POST ISSUE COMPLIANCES

PARTICULARS	STARTUPS	SME IPO	MAIN BOARD IPO
Reporting Requirements (Accounts)	Half yearly	Half yearly	Quarterly
Market Making	Mandatory	Mandatory	Not mandatory



KREO Capital Pvt. Ltd. makes the end to end process efficient and easy for the Company by coordinating with multiple stakeholders, while the Management can dedicatedly focus on the more critical strategic elements of the IPO process.



Pre Research

- Research Presentation
- Business Plan
- Circulation of Research Guidelines

**Pre - Research
(2 weeks)**

**Commence Process
(M* + 1 week)**

Commence Process

Update Data Room

Prior to Transaction Launch

- 100% Underwriting
- Arrangement for Market making
- Filing of DRHP with ROC, SME Exchange and SEBI
- Printing of DRHP and Bid cum application forms

**Prior to
Transaction
Launch
(3 weeks)**

**Pre Filing DRHP with
SME Exchange
(6 weeks)**

**Pre Filing DRHP with
SME Exchange**

- Compliance with Corporate Governance
- Appointment of Intermediaries
- Completion of Due Diligence
- Offer Document Finalization

**Prior to Listing
(2 weeks)**

Prior to Listing

- Bidding , Pricing, Allotment, etc.
- Market Conditions

**Post Listing Compliance
(On going)**

M – Date of signing Mandate

KREO means creation. This is the true reflection of what our Company stands by –
“Create client experiences built on Trust”

THE WHO

KREO Capital is a boutique financial service company with Mid Market Focus

- ❑ Kreo Capital Private Limited was incorporated with the sole objective to establish itself as one of the premiere and trustworthy financial service provider for Mid Market companies.
- ❑ Our management board consists of seasoned entrepreneurs & business leaders within the financial services domain.
- ❑ Our team is comprised of professionals from the top firms within their expertise in various domains of financial and related advisory services.

THE WHAT

Kreo Capital creates wealth through Trust, Integrity & Commitment

- ❑ Merchant Banking
- ❑ Corporate Advisory
- ❑ Wealth Management
- ❑ Lending Solutions

THE WHY

Led by professionals, KREO Capital is a financial expert for all growth oriented Companies

- ❑ Our strengths include deep industry insights and experience, expertise in transaction structuring, a grasp of the regulatory environment and an understanding of market dynamics.
- ❑ Being a one stop solution for all financial needs of growth oriented mid market companies.
- ❑ Led by professionals, we work with the largest and the most reputed investors in the industry.
- ❑ Specialized industry & product teams, enhancing the depth & quality of analysis.

KREO Capital is a boutique financial services company headquartered in Nagpur, along with parallel operations in Mumbai.

KREO Capital provides one-stop fund raising solutions and financial advisory services through its Merchant Banking, Corporate Advisory, Wealth Management and Lending Solutions arms. The service portfolio of Kreo Capital consists of the following:

Merchant Banking	Corporate Advisory	Wealth Management	Lending Solutions
<ul style="list-style-type: none"><input type="checkbox"/> Fund raising through IPOs	<ul style="list-style-type: none"><input type="checkbox"/> Mergers & Acquisition	<ul style="list-style-type: none"><input type="checkbox"/> Wealth Management Services	<ul style="list-style-type: none"><input type="checkbox"/> Debt Financing
<ul style="list-style-type: none"><input type="checkbox"/> Follow-on Public Offers	<ul style="list-style-type: none"><input type="checkbox"/> Valuation Services	<ul style="list-style-type: none"><input type="checkbox"/> Product Distribution Services	<ul style="list-style-type: none"><input type="checkbox"/> Working Capital Finance
<ul style="list-style-type: none"><input type="checkbox"/> Management of Buy Back Offer and Rights Issue	<ul style="list-style-type: none"><input type="checkbox"/> Corporate restructuring	<ul style="list-style-type: none"><input type="checkbox"/> Personal and Corporate Financial Planning	<ul style="list-style-type: none"><input type="checkbox"/> Advisory for Issuance of NCDs, GDR, ADR and LAS
<ul style="list-style-type: none"><input type="checkbox"/> Direct Listing & Takeovers	<ul style="list-style-type: none"><input type="checkbox"/> Company Law & Secretarial Advisory	<ul style="list-style-type: none"><input type="checkbox"/> Company Law & Secretarial Advisory	<ul style="list-style-type: none"><input type="checkbox"/> Structuring Acquisition Finance
<ul style="list-style-type: none"><input type="checkbox"/> Migration or Delisting of shares			
<ul style="list-style-type: none"><input type="checkbox"/> Preferential Allotments			
<ul style="list-style-type: none"><input type="checkbox"/> Other takeover related advisory under the SEBI Takeover Code			



ACTED AS SOLE FINANCIAL ADVISORS FOR IPOs AND OTHER ADVISORY

**Ceinsys Tech
Ltd., Nagpur**

INR 96 Million
Oversubscribed
by 1.8 times
**(Migrated to
Main Board)**

**Vibrant Global
Capital Ltd.,
Mumbai**

INR 114.7
Million
Oversubscribed
by 1.1 times
**(Migrated to
Main Board)**

**Emkay Taps &
Cutting Tools
Ltd., Nagpur**

INR 155.50
Million
Oversubscribed
by 1.36 times

**SoftTech
Engineers Ltd.,
Pune**

INR 228.1
Million
Oversubscribed
by 29.25 times

**Shradha
Infraprojects
(Nagpur) Ltd.,**

INR 189.28
Million
Oversubscribed
by 2.84 times

**Tapadia
Polyesters Pvt
Ltd., Nagpur**

INR 225 Million
Raised via
Equity Capital

**Acquapharm
Chemicals Pvt
Ltd., Pune**

Advised in a INR
300 Million
overseas buyout
transaction

**Valpack
Solution Pvt
Ltd., Mumbai**

Assisted in a
INR 500 Million
overseas
buyout
transaction

**Bajaj Superpack
Ltd., Nagpur**

INR 164 Million
(DHRP FILED)

**Global
Technocrats
Pvt. Ltd., New
Delhi**

INR 150 Million
(Ongoing)

**Farmico Cold
Storage Ltd.,
Nagpur**

INR 150 Million
(Ongoing)



*"While we were busy making up our mind regarding '**where to begin**', someone's dream already became a reality...!"*

SMEs with the right strategy, right vision, good financial health and a strong management team have the strength to become the real players in the market.

SMEs today are a major contributor to the growth, sustenance and strength of the Indian economy. A major share of employment, exports and production is being catered by the SMEs along with being the major suppliers for the Multinational Companies.

Today Capital markets are more interconnected, complex and dynamic than ever. Team Kreo mentors and guides clients to develop and execute fund-raising and other transformational strategies.

Our clients value the direct access to our team of professionals, sound technical and industry knowledge, and the insight and practical experience that we bring in.

CA Varun Parakh

KREO CAPITAL PRIVATE LIMITED

MERCHANT BANKING | CORPORATE ADVISORY | WEALTH MANAGEMENT | LENDING SOLUTIONS

ABOUT OUR MERCHANT BANKING SERVICES

With deep regulatory and procedural knowledge, transactional expertise and access to public markets, Kreo Capital provides seamless support to businesses who aim at mobilizing capital from investors.

Raising capital through our access to the public markets is one of the key ways in which we support our clients growth. Our acclaimed knowledge of regulatory norms and processes aids us in creating innovative structures aligned to specific business plans.

ABOUT KREO CAPITAL

Kreo Capital is a boutique financial service company with Mid Market focus offering integrated financial advice and services. Promoted by professionals with rich experience in financial and capital markets, Kreo Capital is a financial expert for all growth oriented companies. Our advice is built from a rigorous and up-to-date understanding of the market, coupled with client's financial vision. This means we only offer solutions that work best for our clients.

Kreo Capital is committed to long term relationships and has a proficient and skilled team invested in its clients and their business. Our services enable our clients to access Capital Markets, Wealth Management Advisory, Corporate Finance Advisory, Mergers and Acquisition Advisory, ESOP & Valuation Advisory, Equity/Debt Placements and Restructuring.

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