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Colombo:

CSE and USAID’s SME forum draws considerable interest

● “USAID is working with MSMEs to improve their ability to attract private capital. Through enrollment in the MSME Funding Readiness Program, businesses can unlock fresh pathways for growth, capitalize on capital market opportunities, and contribute to the nation’s economic prosperity.” – Mr. Mark Peters- Economic Growth Advisor, USAID.

● “A listing will not only strengthen your company’s capital and corporate image, but it will also have a significant impact on the company’s growth prospects.” – Mr. Rajeeva Bandaranaike, CSE CEO

● “Fundraising through the CSE is a feasible option for SMEs to raise funding while maintaining control, enhancing the image and visibility of the SME, as well as creating a platform for future funding and growth.” - Ms. Amani Ranaweera, Acuity Partners (PVT) Ltd.

● “Sacrificing cash flows as interest payments to lenders will hamper this opportunity for SMEs; hence, listing on the Colombo Stock Exchange is a great pathway to access equity capital, strengthen the capital structure, and thereby successfully face challenges in the business environment.” - Mr. Rohan Senewiratne, Atarah Capital (Pvt) Limited

The Colombo Stock Exchange (CSE) conducted an Issuer Relations Forum titled “Unlocking funding opportunities for SMEs through the Colombo Stock Exchange”, in association with the U.S. Agency for International Development (USAID) in Sri Lanka on 15th August 2023 at the Mövenpick Hotel Colombo.

The forum provided insights for small- and medium-sized enterprises in key sectors, such as Agribusiness and Information, Communication & Technology (ICT), to discover capital-raising opportunities available at the CSE via listing on the Empower and Dirisavi Boards of the Exchange.

The forum was attended by the USAID Economic Growth Advisor, Mr. Mark Peters, USAID CATALYZE PSD Activity Team Lead Mr. Juan Forero, CSE Chief Executive Officer (CEO) Mr. Rajeeva Bandaranaike, Chief Regulatory Officer (CRO) Mr. Renuke Wijayawardhane, Senior Vice President, Commercial Ms. Punyamali Saparamadu, Atarah Capital (Pvt) Limited Managing Director Mr. Rohan Senewiratne, Acuity Partners (Pvt) Ltd Senior Vice President – Corporate Finance, Ms. Amani Ranaweera and representatives from investment banks, SMEs interested in raising capital, USAID, and CSE.
Delivering the opening remarks, USAID Economic Growth Advisor, Mr. Mark Peters, said “Sri Lanka’s sustainable development and recovery hinge on bolstering capital markets while creating additional funding avenues for SMEs across the nation. USAID is working with MSMEs to improve their ability to attract private capital. Through enrollment in the MSME Funding Readiness Program, businesses can unlock fresh pathways for growth, capitalize on capital market opportunities, and contribute to the nation’s economic prosperity.”

Through the USAID CATALYZE Private Sector Development (PSD) Activity, USAID Sri Lanka boosts private capital in vital Sri Lankan sectors. Such programs support the private sector in fostering inclusive economic growth and facilitating affordable financing access.

CSE CEO Mr. Rajeeva Bandaranaike, in his remarks, stated, “We are pleased to have received a positive response for this initiative today. Over the years we have seen numerous companies listing on the Colombo Stock Exchange, with both the company and its shareholders benefitting in the process.”

“We have witnessed a dynamic growth in the capital market of Sri Lanka. The Government’s recent Domestic Debt Optimization (DDO) process also had a positive impact on the CSE. We are actively looking at new products to be introduced to the market,” Mr. Bandaranaike added.

Encouraging the participants to list on the CSE, he further said, “A listing will not only strengthen your company’s capital and corporate image, but it will have a significant impact on the company’s growth prospects. Therefore, we encourage companies to make use of this opportunity.”

Addressing the gathering, Acuity Partners (PVT) Ltd Senior Vice President – Corporate Finance, Ms. Amani Ranaweera said “We are seeing tangible signs of an economic revival. After several challenging years, now is the time for SMEs to put the appropriate framework and processes in place to take advantage of capital raising opportunities.”

“Fund raising through the CSE is a feasible option for SMEs to raise funding while maintaining control, enhancing the image and visibility of the SME as well as creating a platform for future funding and growth. With USAID’s CATALYZE project gaining access to funding is now more affordable to SMEs,” she added.

Speaking at the forum, under the subject of “Listing on the CSE as a Game Changer”, Mr. Rohan Senewiratne, Managing Director of Atarah Capital (Pvt) Limited stated “SMEs comprise more than 75% of enterprises, account for more than 20% of Sri Lankan exports, 45% of employment and 52% of the GDP.”

“SMEs can play a vital role in the economic recovery of Sri Lanka if they are able to gain access to raise equity capital. Sacrificing cash flows as interest payments to lenders will hamper this opportunity for SMEs hence listing in the Colombo Stock Exchange is a great pathway to access equity capital, strengthen the capital structure and thereby successfully face challenges in the business environment,” Mr. Senewiratne added.
Further, an insightful panel discussion was held on the subject of “Journey towards listing and life after listing” with the participation of CSE CRO Mr. Renuke Wijewardhane, USAID CATALYZE PSD Activity Team Lead Mr. Juan Forero, NDB Investment Banking Ltd Senior Vice President Mr. Saminda Weerasinghe CFA, Capital Alliance Partners Limited CEO Mr. Nishok Goonasekera, Prime Lands Residencies PLC Co- Chairman Mr. Premalal Brahamanage, Luminex CEO Mr. Palitha Herath with the Senior Vice President, Commercial Ms. Punyamali Saparamadu as the moderator.

Photograph

(L-R) USAID CATALYZE PSD Activity Team Lead Mr. Juan Forero, NDB Investment Banking Ltd Senior Vice President Mr. Saminda Weerasinghe CFA, Prime Lands Residencies PLC Co- Chairman Mr. Premalal Brahamanage, Luminex CEO Mr. Palitha Herath, Capital Alliance Partners Limited CEO Mr. Nishok Goonasekera, CSE CRO Mr. Renuke Wijewardhane and Senior Vice President, Commercial Ms. Punyamali Saparamadu (moderator).
About CSE

The Colombo Stock Exchange (CSE) operates the only stock market in Sri Lanka and is responsible for providing a transparent and regulated environment where companies and investors can come together. The CSE is a company that is limited by guarantee established under the Laws of Sri Lanka. The CSE is licensed by the Securities and Exchange Commission of Sri Lanka (SEC) and is a mutual exchange consisting of 15 Members and 13 Trading Members. All Members and Trading Members are licensed by the SEC to operate as Stockbrokers. For more information, please visit: www.cse.lk.

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About USAID

The U.S. Agency for International Development (USAID) works in partnership with the people of Sri Lanka to increase prosperity, promote inclusive market-driven growth, and enhance the resilience of the country's resources to shocks and stresses using a variety of approaches, projects, and partners.

Through the USAID CATALYZE Private Sector Development (PSD) Activity, USAID Sri Lanka is unlocking opportunities for micro-, small, and medium enterprises (MSMEs) in key sectors such as agribusiness and telecommunications and information technology (ICT). With an overall focus on increasing women's economic participation, the project is enhancing MSMEs' capacity, competitiveness, and access to finance to diversify Sri Lanka's private sector, increase revenues, and support economic stability and resiliency.

For more information:
https://www.usaid.gov/catalyze/privatesectordevelopment