

August 2025



M1

• DIGITAL •

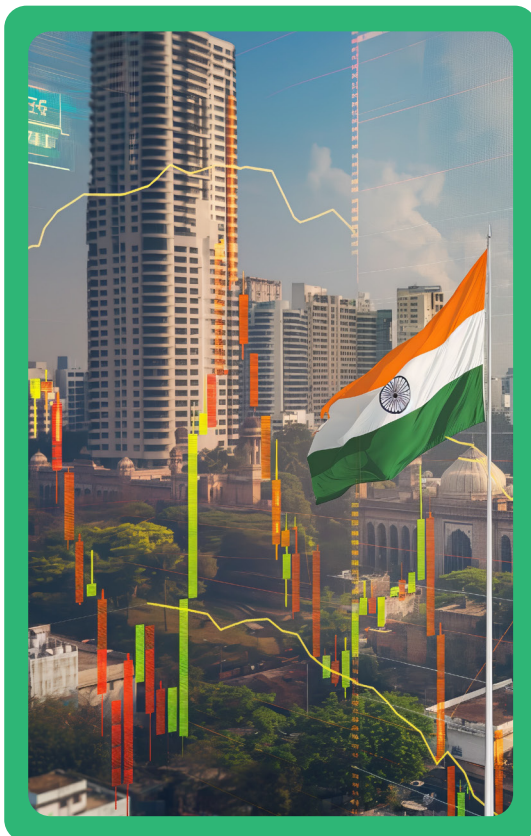
CONNECT



Supply Chain Finance: Fueling India's Economic Engine

India's journey of growth isn't a solo act; it's a symphony of collaboration. The country's remarkable progress is the result of forward-thinking corporations, resilient MSMEs, supportive financial institutions, and visionary policymakers working in concert. At the core of this powerful partnership is Supply Chain Finance (SCF), a mechanism that acts as a catalyst, ensuring every stakeholder not only survives but thrives together.

This cohesive system provides the critical financial lubrication needed to power the nation's economic expansion, creating a mutually beneficial environment where shared success is the ultimate goal.



For forward-thinking corporations, Supply Chain Finance is no longer just a financial tool; it's a strategic asset. By embracing SCF, they are actively enhancing their operations and relationships in three key areas:

Deepening Vendor Partnerships: By facilitating faster payments, corporates can build a foundation of trust and loyalty with their suppliers, moving beyond transactional relationships to create true collaboration.

Ensuring Operational Stability: SCF acts as a safeguard against supply chain disruptions by providing essential liquidity, which helps maintain a continuous and reliable flow of goods and services.

Enhancing Market Reputation: By actively supporting their vendors, these companies solidify their image as progressive and reliable partners, making them a preferred choice for top suppliers in the market.



For India's MSMEs, a reliable cash flow is the lifeline that powers growth. With Supply Chain Finance (SCF) on M1xchange, they gain a crucial advantage that provides:

Immediate Liquidity:

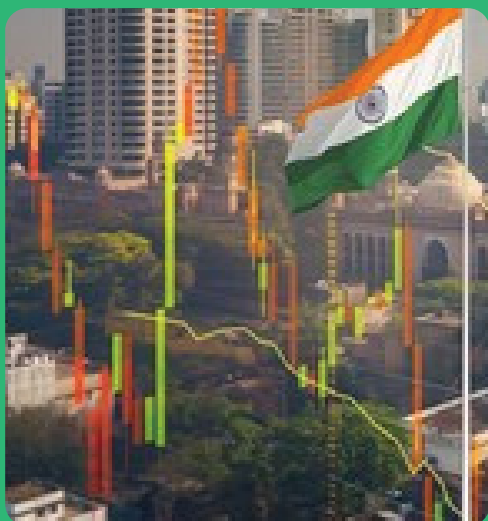
Unlock crucial funds swiftly, often within 24 hours, allowing them to manage operations and seize new business opportunities without delay.

Hassle-Free Financing:

Secure the finance needed for expansion without the burden or risk of pledging valuable assets as collateral.

Accelerated Expansion:

Transform a secure cash flow into a powerful engine for scaling operations, leveraging strong buyer relationships to open doors to new opportunities.



Through the SCF framework, financial institutions are deploying capital with unprecedented efficiency and purpose. Banks and NBFCs are using this platform to:

Streamlined Operations:

Leverage a robust digital platform to significantly reduce the operational costs and complexities typically associated with traditional lending.

Fulfilled Mandates: Efficiently meet Priority Sector Lending (PSL) targets by providing vital financing to the MSME segment on a massive scale.

Inclusive Economic Impact:

Contribute directly to India's growth story by extending financial lifelines to small businesses, thereby fostering equitable and widespread economic prosperity.



The government of India is playing a pivotal role in strengthening the SCF ecosystem, using targeted policy to ensure wider financial access. A powerful example of this commitment is the recent move to lower the TReDS onboarding threshold to ₹250 crore.

This strategic policy shift sends a clear message that financial inclusivity is a national priority. By removing this barrier, the government has enabled a much broader base of corporates to join the platform, thereby empowering countless more MSMEs with the ability to secure timely and crucial funding. It demonstrates how thoughtful government action can serve as a powerful catalyst for widespread economic empowerment.



M1xchange: The Unifying Platform for Growth

At M1xchange, we serve a singular and vital purpose: to be the secure digital hub that seamlessly connects every stakeholder in the SCF ecosystem. We are the bridge that brings corporates, MSMEs, financiers, and national policy initiatives together into one transparent and trusted network.

Our platform has grown to become the central nervous system for India's Supply Chain Finance, and we are proud to have facilitated the discounting of over ₹2 lakh crore worth of invoices, directly injecting liquidity and vitality into the economy. This has, in turn, empowered thousands of MSMEs across the nation, providing them with the capital they need to grow. Our success is built on the trust we have earned, making us the go-to platform for both leading corporates and financial institutions.



The combined efforts of corporates, MSMEs, financiers, and policymakers are creating a powerful ripple effect across the economy. This is a true ecosystem in action: where forward-looking corporates strengthen their supply chains, MSMEs turn cash flow into growth, financiers deploy capital with greater purpose, and supportive policy sets the stage for innovation. Each stakeholder's success is intrinsically linked to the next.

At the heart of this synergy, the M1xchange platform ensures these individual actions transform into a unified national movement. This is how we move beyond simply improving business and directly fuel India's national vision of Viksit Bharat 2047.

Ultimately, we prove that collaboration is the new currency of growth.

M1xchange partnered with Tata AIG General Insurance Company Limited, officially onboarding them as our Insurance Partner. This landmark collaboration introduced Trade Credit Insurance (TCI) as the platform's fourth participant, marking a significant step toward strengthening MSME financing and enhancing market liquidity.

The inclusion of TCI allowed MSMEs to access risk-protected working capital with greater speed, empowering them to grow without the fear of delayed

payments. This move has encouraged wider participation from both financiers and corporates, creating a more robust, safer, and highly liquid trade ecosystem for all.

This collaboration underscores our commitment to India's 6.3 crore MSMEs. We're not just safeguarding supply chains; we're powering them. Together, we are building an ecosystem where risk never stalls ambition, trust fuels every transaction, and every MSME has the confidence to compete and lead.



[Read more...](#)



MSME to MSME : Enabling Payable Financing on M1 TReDS



Small towns are driving India's next leap, thanks to MSME-to-MSME financing on M1xchange. This new capability allows businesses to act as both a buyer and a seller on the same platform, extending vital financial support to their partners.

Whether you're a seller seeking early payments or a buyer looking to support your vendors, this RBI-approved platform makes it happen. There's no collateral or lengthy paperwork—just faster cash flow across the supply chain, all powered by one platform.



1800 103 7261 (Toll free)



helpdesk@m1xchange.com

FOLLOW US ON:



Bill discounted
2,10,000+



MSMEs
60000+



Corporates
3,000+



Financier
68



Navigating Global Trade Finance

Mr. Sundeeep Mohindru, Promoter & Director of M1xchange, recently shared his insights on how rising US tariffs are reshaping global trade and impacting MSMEs in an insightful interaction with Raghu Mohan for Business Standard.

'The role of TReDS is set to go up significantly'

CA M1xchange, the Trade Receivables Discounting System (TReDS) platform for invoice discounting, in FY23 recorded business of over ₹7,000 crore, up 100 per cent from the previous year. Higher US tariffs are expected to impact Indian, small and medium enterprises (MSMEs) and TReDS' role in financing the sector will become more critical. **Sundeeep Mohindru**, Founder-director of M1xchange, interacted with Raghu Mohan via email on the issues facing MSMEs. Edited excerpts

What do you think will be the impact of the higher tariff regime on MSMEs?

■ This will reshape trade flows and cost structures, and MSMEs will feel the impact first. For many, it will mean higher input costs, higher margins, and — particularly in the export-driven sectors — a potential drop in orders. The bigger challenge is liquidity, as stretched cash cycles will make access to affordable working capital critical. At M1xchange, we see that as a concern to step up our mission — helping MSMEs unlock capital quickly and cost-effectively via our TReDS platform. By enabling invoice discounting in under 24 hours at competitive rates, we can help MSMEs manage rising raw material costs, navigate market shifts, and sustain growth. The government moves to lower turnover thresholds and mandate TReDS registration will bring thousands of more companies into its fold, while innovations like small-to-medium (S2M) financing and cross-border invoice discounting

through GIFT City's TIPS (International Trade Finance Services) platform will extend this safety net deeper into Tier-II and Tier-III markets. Higher tariffs will test MSMEs' resilience. Our job is to ensure they have the financial agility not only to withstand the shocks, but also compete stronger in the global markets.

And what of the S2B business initiative launched by your platform? ■ Our S2B financing programme is a plug-and-play solution that enables cash flow-based lending for MSME buyers by passing the traditional dependence on balance sheet strength. Powered by our Credit Analytics Engine, the model draws credit data from bank statements, GSTN (Goods and Services Tax Network), TReDS transactions, and other sources to give banks a digital, programme way to assess MSMEs' creditworthiness within their approved policies. Once sanctioned, MSME buyers can use these limits to

pay sellers early, securing better pricing and lowering their cost of business. This benefits sellers too, as they receive payments faster, easing their working capital crunch. S2B financing is already proving a vital tool for strengthening supply chains, boosting competitiveness, and bridging the credit gap in Tier-II and Tier-III markets. Today, 21 banks and NBFCs are working financial companies are participating, and we expect cumulative disbursements to cross ₹1,500 crore by year-end.

Do you think there is a case to extend the Credit Guarantee Fund Scheme for Factoring (CGFSF) under the National Credit Guarantee Trustee Company (NCGC)?

■ Yes, there is a compelling case to strengthen and expand the CGFSF to protect investors. While the framework exists, its potential is yet to be fully realised. By acting as a virtual collateral, this guarantee reduces risk for banks, NBFCs and other financiers, encouraging them to extend credit to MSMEs

that may lack traditional assets. Today, on TReDS, banks are cautious when discounting invoices for MSMEs supplying to low-rated buyers. A stronger CGFSF could broaden risk coverage, enabling more MSMEs to secure collateral-free working capital. The sanctioned ₹900-crore corpus for factoring transactions should be deployed immediately to kick-start this. In addition, the Reserve Bank of India's approval of trade credit insurance on TReDS — where insurers act as a fourth participant — will further de-risk transactions. With some insurers going live, MSMEs selling to the lower-rated or seasonal buyers can now get financing easily.

Would it help if fiscal support is extended to MSMEs, given the uncertainties ahead, especially tariff-related? ■ Absolutely. Fiscal support will remain vital as MSMEs navigate tariff implications, rising input costs, and potential export slowdowns. Targeted measures, such as tax relief, subsidised credit guarantees, and expanded NCDC-backed

factoring, can act as shock absorbers. Such support enables MSMEs to adjust pricing, diversify suppliers, and explore new markets without being crippled by cash flow strains. When paired with strong financial infrastructure — the TReDS invoice financing that delivers liquidity within 24 hours — the impact is multiplied. Well-designed fiscal support today will not only help MSMEs survive current volatility, but also position them to emerge more competitive when global markets stabilise.

There is a move to onboard a million MSMEs on TReDS platforms over the next couple of years. What is the status on this front?

■ What's being done is that all state-run companies have been asked to register their MSMEs on our platform as an initiative. On our platform, we have digitised the onboarding module wherein a sole proprietor — known to 90 per cent of the MSMEs as sole proprietorship — can get onboarded in 15 minutes. They don't have to do any data entry. We put their information from the 10-pin portal. The speed of onboarding has gone up. It has been simplified through the use of GIFT and digitalisation.

He addressed both the challenges and opportunities facing businesses in this evolving landscape. Mr. Mohindru highlighted how M1xchange is driving innovation, leveraging the TReDS platform, S2S financing, and enhanced risk coverage to help MSMEs unlock liquidity, build resilience, and stay competitive in changing markets.

[Read more...](#)



Blog - Discover Why M1xchange is a Talking Point for Everyone!



M1xchange has emerged as a true game-changer in India's evolving business landscape, revolutionising how companies access working capital and build resilient ecosystems. Our RBI-licensed platform provides distinct advantages for every stakeholder:

For MSMEs

We offer more than just financing—we provide a lifeline. Our platform ensures instant, collateral-free liquidity within 24 hours by allowing MSMEs to sell unpaid invoices to a pool of over 6,700 financiers. Competitive bidding keeps discount rates low, helping businesses manage cash flow and focus on growth.

For Corporates

Enterprises are building more resilient and transparent supply chains. By digitally validating invoices and supporting their vendor ecosystem, corporates strengthen relationships, reduce administrative headaches, and ensure regulatory compliance with ease.

For Financiers

Financial institutions benefit from low-risk, scalable lending opportunities. Since receivables are pre-approved by reputable corporates, default risk is minimal, and many transactions contribute to priority sector lending targets with significantly lower operational costs.

Experience how we are driving growth and financial inclusion across India. Dive into our

latest blog to discover why M1xchange is the game-changer everyone's talking about!

[Read more...](#)



1800 103 7261 (Toll free)



helpdesk@m1xchange.com

FOLLOW US ON:



YouTube