March 2026

TOMORROW'S MONEY TODAY

# M1 DIGITAL CONNECT

# Shaping the Future of MSME Liquidity

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## Advancing the Next Phase of Digital Supply Chain Finance

As India's MSME ecosystem continues to evolve, the focus is steadily shifting from access to finance toward efficiency, scale, and ecosystem integration. The role of digital platforms is no longer limited to enabling liquidity, it now extends to building resilient, data-driven, and inclusive financial networks.

March marks a significant milestone in this journey for M1xchange, as the platform completes 9 years of enabling structured, transparent, and scalable supply chain finance.

This edition of M1 Digital Connect captures key developments across platform innovation, ecosystem expansion, and strategic initiatives that are shaping the future of MSME financing.

# Powering India's Digital SCF Ecosystem

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## Years of M1xchange

## Building India's Digital SCF Backbone

Over the past nine years, M1xchange has evolved from a TReDS platform into a comprehensive supply chain finance ecosystem, driving financial inclusion and enabling faster liquidity access across industries.


## 9 Years. 9 Key Milestones

01 **2,93,000+ invoices discounted,** reflecting sustained platform adoption

02 To offer a full-fledged **Supply Chain Finance (SCF) ecosystem**

03 **Expansion to 80,000+ MSMEs across 2,500+ cities,** deepening financial inclusion

04 Strengthened network with **70+ financiers**

05 Growth to a **500+ strong workforce,** supporting scale and innovation

06 Introduction of **Deep-tier (S2S) financing,** enabling MSME-to-MSME liquidity access

07 Launch of **cross-border financing solutions through M1 NXT,** expanding global trade enablement

08 Increased participation from **PSUs and large corporates,** strengthening institutional adoption

09 **Integration of UFX - Unified Financing Xchange** to enables decision-making and efficiency

These milestones reflect not just platform growth, but the growth of India's digital financing ecosystem.

# M1xchange TReDS Metamorphosis into an Integrated SCF Solutions

M1xchange has expanded beyond traditional invoice discounting to offer a comprehensive suite of financing solutions, addressing multiple layers of supply chain liquidity challenges.

**Key advancements include:**

- Deep-tier financing (S2S) to unlock liquidity beyond Tier-1 suppliers
- Cross-border factoring via M1 NXT, enabling exporters to access global liquidity
- PSU ecosystem integration, driving broader institutional participation
- Insights through UFX, improving credit assessment and operational efficiency

This evolution positions M1xchange as a multi-dimensional financing platform, aligned with the growing complexity of supply chains.

## Industry Insight

Scaling MSME Growth Through Better Cash Flow Management

Sustainable MSME growth is increasingly linked to efficient cash flow management and access to timely liquidity. Businesses that optimise receivables cycles and adopt structured financing solutions are better positioned to:

- Improve operational stability
- Reduce dependence on informal credit
- Accelerate expansion plans
- Strengthen supplier relationships

As highlighted in recent industry perspectives, digitally-enabled financing ecosystems will play a critical role in helping businesses scale efficiently in 2026 and beyond.

# Strengthening Global Trade with M1 NXT

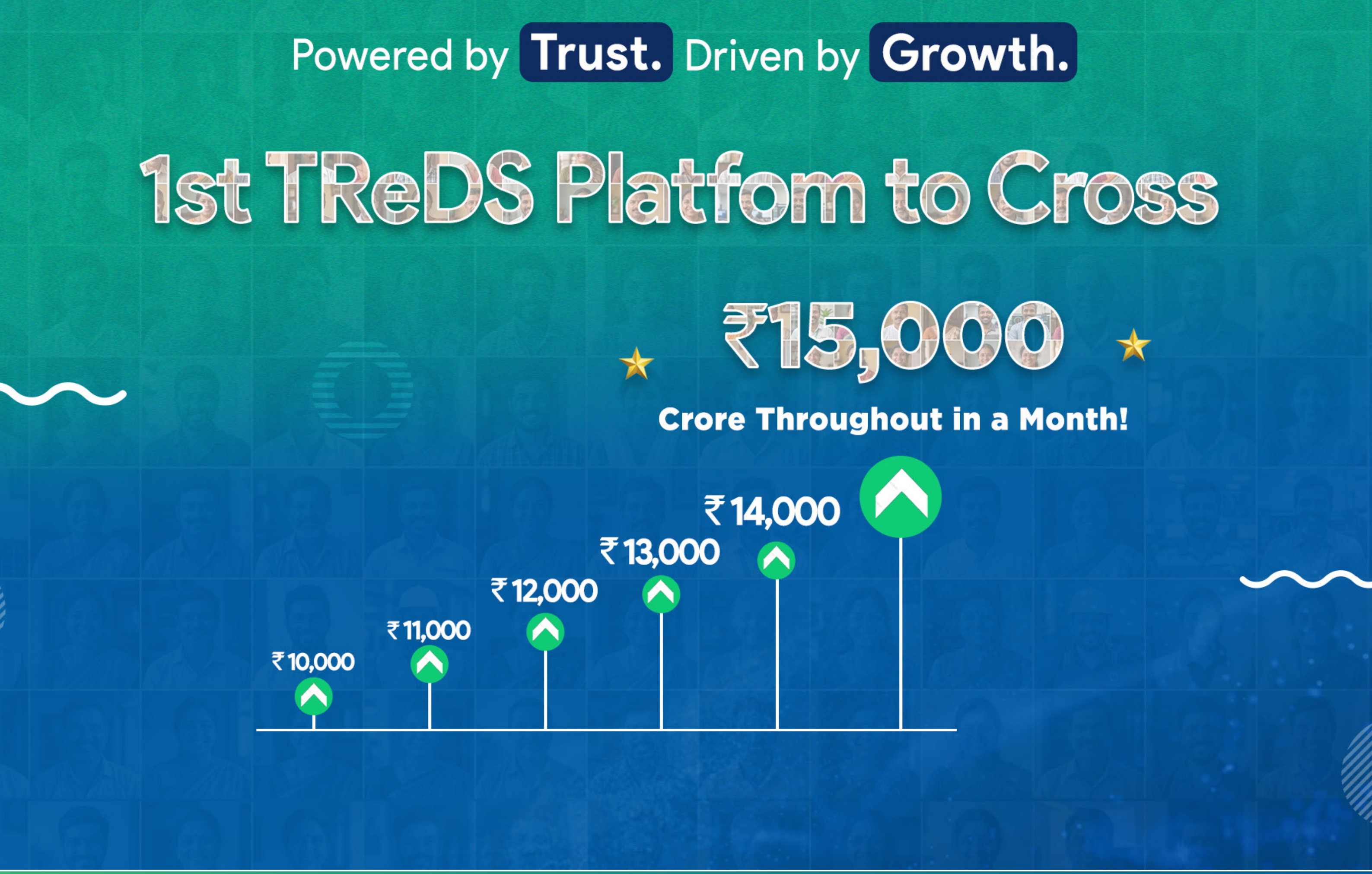
As global trade becomes more interconnected, the need for efficient cross-border financing solutions continues to grow.

**M1 NXT addresses this need by enabling:**

- Cross-border factoring solutions for exporters
- Faster access to international working capital
- Reduced friction in global receivables financing
- Improved transparency and compliance

This initiative marks a significant step toward integrating domestic supply chain finance with global trade ecosystems.

## A Landmark Year of Scale and Impact



# New Financier Dashboard Launched

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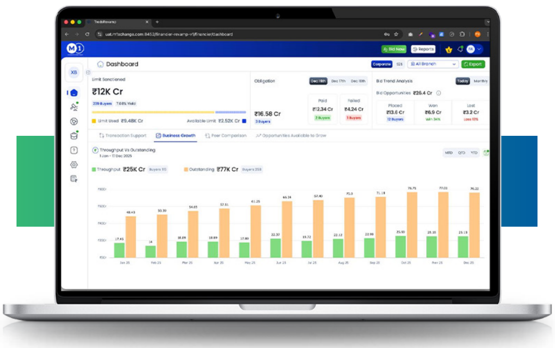
To further strengthen platform usability and transparency, a dedicated Financier Dashboard has been introduced.

**Key Capabilities**

- Real-time visibility into financing opportunities
- Streamlined tracking of transactions and performance
- Improved data access for decision-making
- Enhanced operational control for financiers

This addition reinforces M1xchange's commitment to building a balanced, efficient ecosystem for all participants.



## M1xchange : Comparative Ranking of Financiers

**Q4 FY 2025-26 over Q3 FY 2025-26**

| | FINANCIER RANKING | | |
|---|---|---|---|
| FINANCER NAME | Ranking on Outstanding Value of Invoices 31st March 26. | Invoice Throughput Q4 FY 2025-26 | Invoice Throughput Q3 FY 2025-26 |
| STATE BANK OF INDIA | 1 | 1 | 1 |
| CANARA BANK | 2 | 2 | 2 |
| BANK OF BARODA | 3 | 4 | 4 |
| BANK OF INDIA | 4 | 3 | 5 |
| INDIAN OVERSEAS BANK | 5 | 5 | 3 |
| PUNJAB NATIONAL BANK | 6 | 6 | 6 |
| IDBI BANK LIMITED | 7 | 9 | 10 |
| PUNJAB AND SIND BANK | 8 | 8 | 11 |
| SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA | 9 | 10 | 13 |
| CENTRAL BANK OF INDIA LIMITED | 10 | 7 | 7 |
| BANK OF MAHARASHTRA | 11 | 14 | 14 |
| UCO BANK | 12 | 13 | 9 |
| INDIAN BANK | 13 | 11 | 8 |
| UNION BANK OF INDIA | 14 | 12 | 12 |
| Jio Finance Ltd | 15 | 15 | 17 |
| SBI GLOBAL FACTORS LTD | 16 | 16 | 15 |
| HDFC BANK LTD | 17 | 17 | 16 |
| Aditya Birla Finance Limited | 18 | 18 | 19 |
| IDFC First Bank | 19 | 19 | 20 |
| INDUSIND BANK | 20 | 21 | 22 |
| UNITY SMALL FINANCE BANK LIMITED | 21 | 20 | 25 |
| THE SOUTH INDIAN BANK LIMITED | 22 | 24 | 23 |
| SHINHAN BANK | 23 | 27 | 18 |
| Jana Small Finance bank | 24 | 22 | 21 |
| THE KARNATAKA BANK LIMITED | 25 | 23 | 28 |

# M1 in Numbers

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The growing adoption of digital invoice discounting is reflected in the scale of activity on the platform.

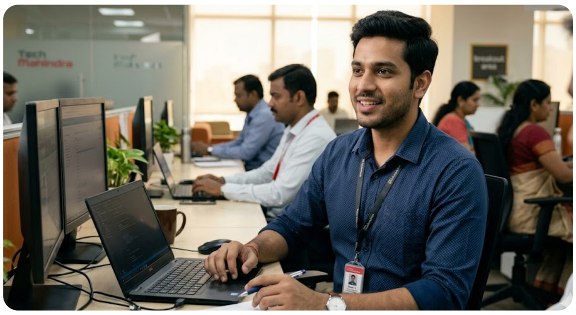
## Bill Discounted
**2,95,000+ Cr**

## MSMEs Onboarded
**85,000+**

## Corporates Onboarded
**10,000+**

## Financiers Onboarded
**74+**

## Employees
**500+**



## **Client & Ecosystem** Impact

Expanding **Access,** Strengthening **Supply Chains**

The platform's growing reach across cities and sectors is enabling:

- Greater financial inclusion for MSMEs in emerging markets
- Stronger buyer-supplier relationships
- More resilient and efficient supply chains

Deep-tier financing and expanded participation are helping unlock liquidity at multiple levels of the value chain.

# Scaling the Future of MSME Financing

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In 2026, the difference between businesses that scale and those that stagnate often comes down to one factor: cash flow discipline. Revenue growth alone no longer guarantees stability.

Companies across sectors are discovering that without structured liquidity planning, expansion can quickly create financial strain.

Rising credit cycles, supply chain volatility, and tighter lending standards are pushing enterprises to rethink how they manage receivables and payables. As a result, modern working capital finance strategies are moving beyond traditional bank limits toward more dynamic, data-driven instruments.

Among the most important enablers in India's evolving ecosystem are Factoring finance and TReDs bill discounting, supported by the digital infrastructure built around the TReDs full form framework. Together, these tools are helping businesses unlock trapped liquidity and scale with greater confidence.

This guide explores practical, forward-looking strategies that companies can adopt to strengthen cash flow and prepare for sustainable growth in 2026.

Read more...