

July-September  
**2023**



# M1 —•DIGITAL•— CONNECT

## DRIVING FINANCIAL INCLUSION

—• Through Innovation •—



India's G20 presidency served as a crucial platform for PM Modi to elevate the concerns of the Global South and secure unanimous backing for acknowledging the Ukraine conflict—a pivotal move. G20 New Delhi Declaration: A historic milestone with complete consensus, even from China and Russia, the declaration encompassed crucial agreements spanning finance, climate action, and digital infrastructure. It underscored India's success in strengthening multilateral banks, regulating cryptocurrencies, and advancing financial inclusion.

The declaration emphasized the necessity of mobilizing trillions of dollars for developing nations and clean energy technologies, aiming for net-zero emissions by 2050, signifying a noteworthy shift in climate funding. Inclusion of the African Union: In a momentous decision, the African Union secured full membership within the G20, enhancing representation of the African continent.

Contributing to that, M1xchange was at the forefront of advocating the UNIDROIT Model Factoring Law for global trade. The M1 team had the privilege to attend and share valuable insights on International Factoring with the Ministry of External Affairs.

This newsletter contains recent News, TReDS updates, Government efforts, and M1xchange updates. Follow us on Facebook, LinkedIn, and Twitter to stay up to date on the latest happenings on TReDS platforms.

Happy Reading!

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## Sundeep Mohindru

Promoter Director

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It's clear that MSMEs (Micro, Small, and Medium Enterprises) play a vital role in the Indian economy, as they contribute significantly to GDP, manufacturing production, exports, and employment. However, their growth and success are contingent on access to financing. The fact that only 10% of MSMEs currently have access to institutional funding highlights a critical issue that needs to be addressed for their sustained development.

TReDS (Trade Receivables Discounting System) platforms like M1xchange are playing a pivotal role in improving the financial landscape for MSMEs. These platforms offer a mechanism for MSMEs to convert their receivables into cash, providing them with the necessary liquidity to grow and operate effectively. As more MSMEs recognize the benefits of such platforms, their adoption is increasing, which is a positive sign for the sector.

The collaboration of multiple stakeholders, including banks, non-banking financial companies (NBFCs), and the TReDS platform, is essential to ensure the success of this initiative. Creating a win-win situation for all parties involved, as emphasized by M1xchange, is key to building trust and fostering a sustainable ecosystem. This approach ensures that MSMEs, banks, NBFCs, and the TReDS platform can all benefit from a fair, transparent, ethical, and compliant marketplace.

This collaborative effort is crucial in supporting the growth and development of MSMEs, which, in turn, will have a positive impact on the Indian economy, further contributing to GDP, manufacturing, exports, and employment opportunities.

*Festive greetings to you as well! Whether you're celebrating a specific holiday or simply enjoying a festive season, I hope you have a wonderful time filled with joy, warmth, and good company. Wishing you a joyous and peaceful celebration!*



In September 2023, the M1xchange group had serviced a supply chain finance volume of over INR 4000 Crores, reflecting a 33% increase in transaction volume compared to the previous month.

This achievement was made possible with the support and confidence of all the stakeholders in our digital solutions. We assure you of an ever-improving digital experience on our platform, technology-enabled bespoke solutions for your working capital needs, greater speed in our delivery, and best-in-class service levels.



## Celebrating Triumph at UBS Forums

M1xchange has been honoured to receive the "Best Use of Supply Chain Finance" award at the Future of Finance Summit in Bengaluru. This honor reflects our dedicated team's collaborative spirit and our valued partners' support. We're committed to reshaping finance's future. Thank you for being part of our success.



M1xchange has signed an MoU with Govt. of Haryana on 11th Oct 2023, in the presence of Hon'ble Chief Minister, Haryana Shri Manohar Lal Khattar, Hon'ble Deputy Chief Minister, Shri Dushyant Chautala, Sh. Sanjeev Kaushal, Chief Secretary, Sh. Anand Mohan Sharan, ACS, Industries & Commerce, and Sh. Shekhar Vidyarthi, DG Industries & MSME, and representatives from various industry associations.

This collaboration empowers M1xchange to provide invoice discounting services and easy financial access to MSMEs serving Government departments and PSUs in Haryana State. Haryana state has progressive outlook towards enhancement of business in the state



# Going Deep With Deep Tier Financing For MSMEs

It involves factoring of MSME seller invoices raised on MSME buyers under the existing TReDS model with buyers' acknowledgement of invoices and confirmation of payment to financier on due date. These MSME buyers lacked the balance sheet strength associated with a large corporate buyer. We leveraged our capabilities in technology, product development, data and risk analytics to enable cash flow-based credit analytics of MSME buyers instead of traditional balance sheet based risk assessment approach.

*Enabling MSME Buyers & Sellers*

## EASY ACCESS TO WORKING CAPITAL



**Register With M1xchange TReDS**

### Benefits

- ✓ Collateral Free Finance for payment to MSME Suppliers
- ✓ Lowest Interest Rates Promised
- ✓ Fund Transfer within 48 Hours
- ✓ Access to 55+ Financiers
- ✓ One time Documentation for Multiple Sellers/Financiers
- ✓ Finance starting from 10 Lacs - 5 Crores

### Get Onboarded in 5 Easy Steps

- ✓ Self-Register at M1xchange
- ✓ Submit Documents(Video KYC)
- ✓ Verification & Legal Compliance Check
- ✓ Registration Done & Credit Limit Sanction
- ✓ Portal Training & Assistance

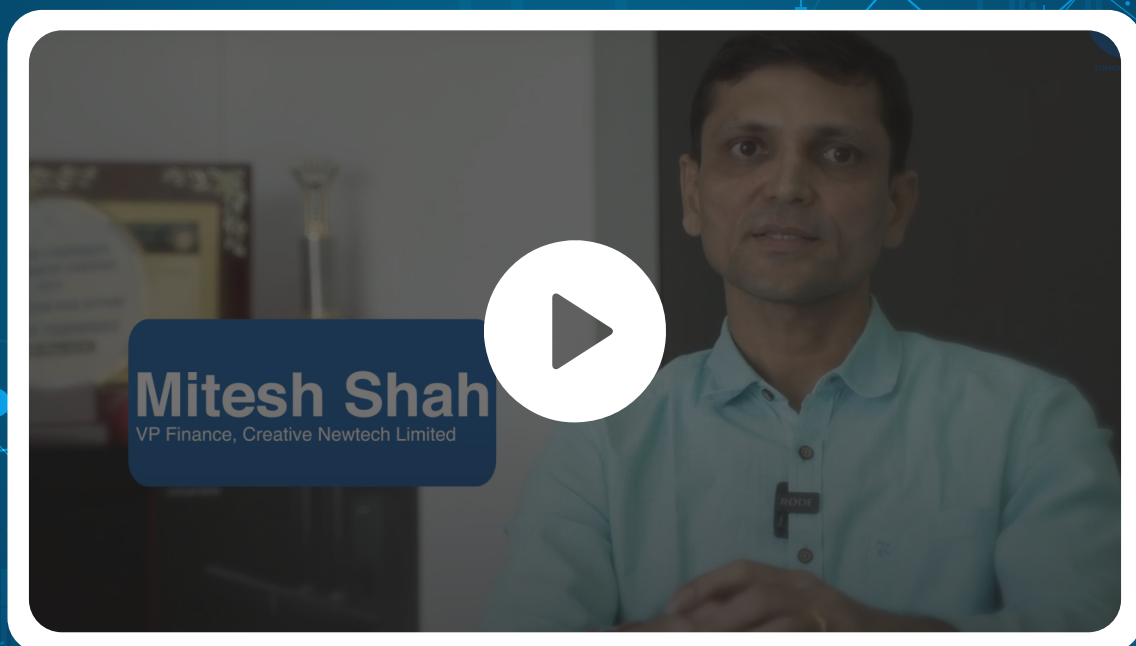


# TREDS CAN BENEFIT CORPORATES

IN BUILDING SUSTAINABLE FINANCING



## PARTNER SPEAKS







India's Largest Integrated Power Company, which operates across the power value chain of conventional and renewable energy. These solutions include solar rooftop installations and electric vehicle (EV) charging stations and it relies on a vast network of MSME suppliers to support its operations.

To improve payment efficiencies and reduce the financial burden on its suppliers, the company tied up with M1xchange TReDS platform. Learn how India's Largest Integrated Power Company implemented M1xchange TReDS to streamline supplier payments and improve payment efficiency.

The company experienced a significant improvement in its supplier payment ecosystem through the adoption of M1xchange TReDS. The implementation of the TReDS platform brought stronger supplier relationships, operational efficiency, and improved working capital management for the client.

[To Read The Case Study, Click Here](#)



# TREDS CONTRIBUTES TO SUSTAINABLE FINANCING FOR MSMEs

Mitigation of Payment  
Delays and Defaults

Digitalization  
and Transparency



Lower  
Financing Costs

Enhanced  
Access to Capital

## CLIENT SPEAK



# FROM \_\_\_\_\_ A CASE OF **50%** GROWTH IN 6 MONTHS With M1xchange



Driven by a strong dedication towards environmental care and sustainable practices, this scrap trading business specialises in sourcing fresh scrap from diverse organisations. With a strong emphasis on recycling and repurposing, they play a vital role in eco-friendly waste management while supplying valuable resources to industries. This way, they contribute to a greener and brighter future.

The business encountered extended payment cycles and delayed payments from corporate customers. This hindered their timely procurement of raw materials to meet other clients' requirements. Navigating through time-consuming physical procedures added further intricacies to their already complex financial management endeavours.

[To Read The Case Study, Click Here](#)



# THE TReDS PLATFORM OFFERS FINANCIERS

— A COMPETITIVE EDGE —



0% Default Ratio  
On Finance



Reduced  
Operational Costs

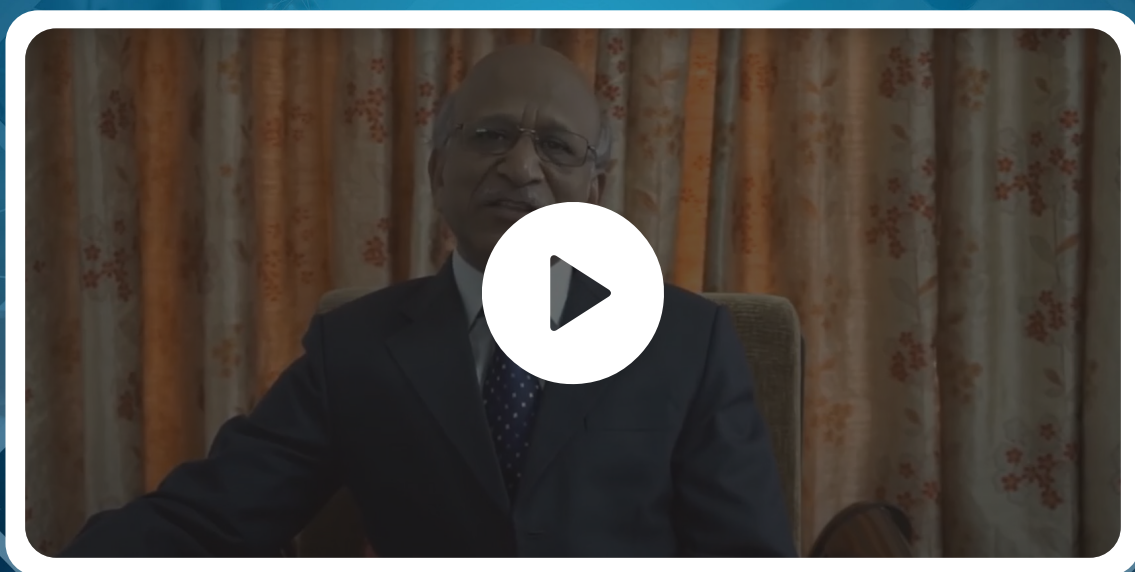


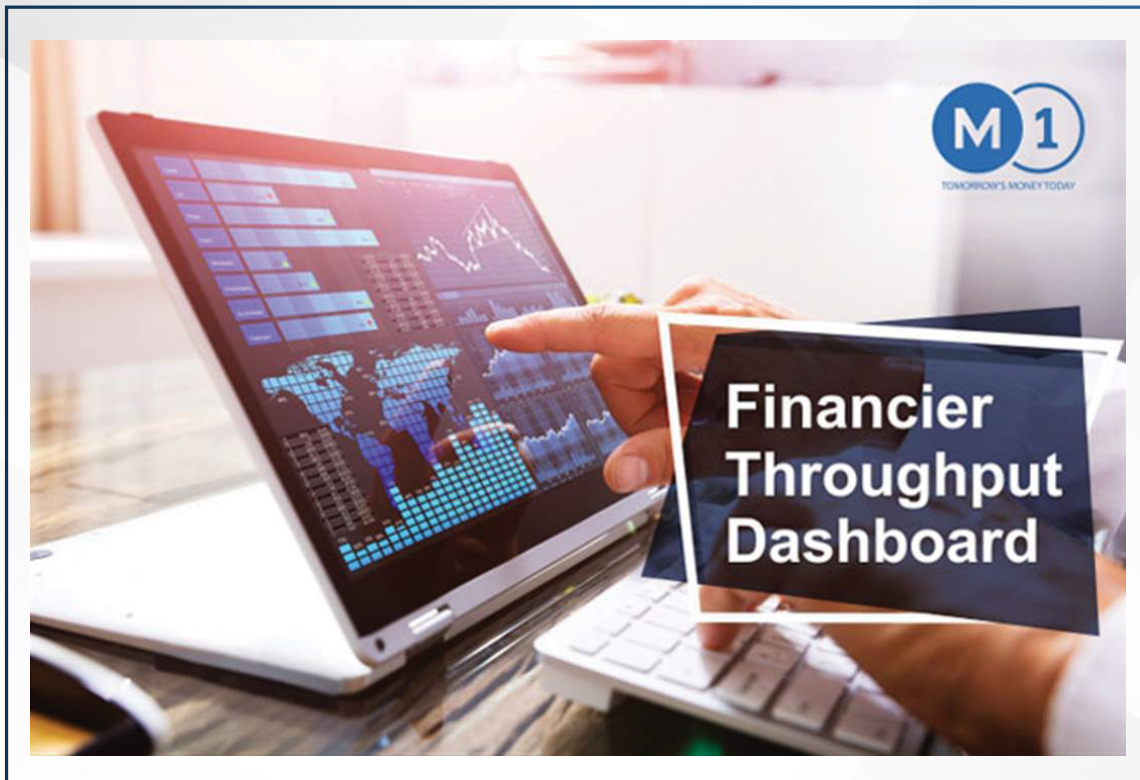
Faster Fulfilment Of  
PSL Targets



Easy, Efficient &  
Seamless Digital Financing

## PARTNER SPEAKS



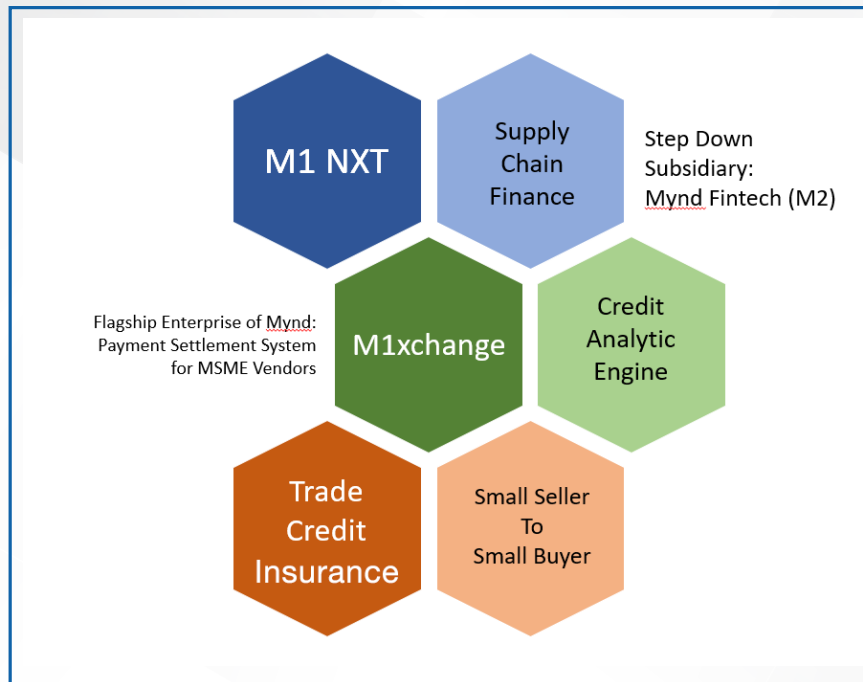


For over seven years, Mynd Solutions Pvt Ltd have been operating M1xchange TReDS platform as a small but valuable contribution to our nation's endeavour in providing enablers ( and removing impediments) for our Small, Medium and Micro enterprises. This has only helped enterprises remain focused on adding to nation's GVA [Gross value added (GVA) is the measure of the total value of goods and services produced in an economy( area, region or country)] . We say small, because financial liquidity is just one aspect of a successful enterprise. And 'valuable' because without financial liquidity, one can go only so far; and no further. Currently over 22,000 MSME vendors and 1400 Corporate Buyers (of whom at least 350 are always active) stand registered with M1xchange. M1 thus assists these vendors and corporate Buyers to transact on a digital market place, of the kind that has no parallel globally! However, it is the trust reposed by our 55 financiers on our marketplace that has helped us achieve an invoice throughput of Rs 65,000 cr worth of invoices, since the time we first commenced our operations. We are indeed very grateful to our entire financier fraternity, without whom we may never have been able to scale such heights, so soon! Thank you financiers for joining us in our mission for digital financial inclusion of MSME vendors to large corporate anchors!

The firmament of Mynd Solutions Pvt Ltd is much wider. While being Myndful of regulatory contours (pun intended), Myndites think continuously and innovate financial products and processes to encompass a much wider canvas. We aspire to bring all aspects of digital financial inclusion on this very canvas. In fact, it would not be out of place to quote an airplane pilot who wrote these famous words:

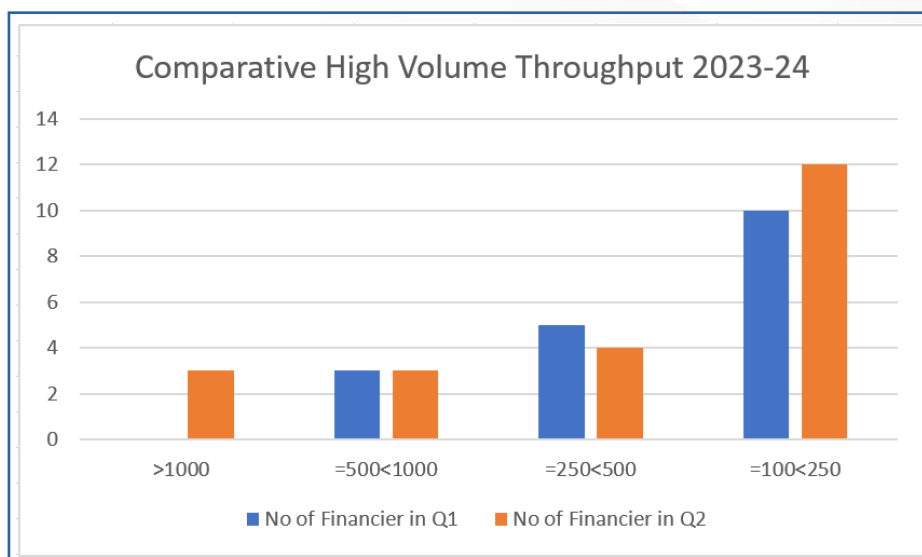
“Most gulls don't bother to learn more than the simplest facts of flights—how to get from shore to food and back again. For most gulls, it is not flying that matters, but eating. For this gull, though, it was not eating that mattered, but flight. More than anything else, Jonathan Livingston Seagull loved to fly.”





Over these seven years Mynd eco-system for financial inclusion has grown substantially to encompass many facets of Supply Chain Finance: MSME Vendor Payments ( our raison d’etre); SCF Products suite, Small to Small Factoring on M1xchange TReDS platform; a fintech innovation by way of a Credit Analytics Engine; cross border trade finance solutions through our subsidiary, Mynd IFSC Pvt Ltd at GIFT City IFSC; white labelled solutions ( we love to call it M4) and more. However, we are keenly aware that success in all these initiatives depends on participation by financier fraternity that have helped M1xchange scale up and made it their favourite TReDS platform. Our teams shall reach out to you soon, if they haven’t reached out so far to seek your guidance, experience sharing and wholehearted participation in these recent initiatives!

With your kind patronage M1xchange achieved a record throughput of Rs 3852 cr in month of September alone and close to Rs 10,000 cr during Q2. The data in following Table only emphasizes the fact that we are blessed with increasing participation by growing community of financiers:



And before we sign out, we are glad to share the quarterly ranking chart in which we compare our financiers on parameters of outstanding value of invoices as on 30th September and aggregate value of invoices factored in Q2.



Top 3 Outstanding Performer on M1xchange TReDS Platform  
for the Quarter 2, FY 23-24.

### Comparative Financier Ranking: Q2 2023-24 over Q1 2023-24

Financier Name	As on 30th Sep 2023	As on 30th June 2023
CANARA BANK	1	2
STATE BANK OF INDIA	2	3
INDIAN OVERSEAS BANK	3	1
CENTRAL BANK OF INDIA	4	4
IDBI BANK LIMITED	5	6
SIDBI	6	9
BANK OF INDIA	7	5
UNION BANK OF INDIA	8	7
BANK OF MAHARASHTRA	9	2
PUNJAB NATIONAL BANK	10	8
IDFC FIRST	11	10
INDIAN BANK	12	13
CANBANK FACTORS LIMITED	13	11
THE SOUTH INDIAN BANK	14	15
PUNJAB AND SIND BANK	15	14
INDUSIND BANK	16	>20
BANK OF BARODA	17	20
SBI GLOBAL FACTORS LTD	18	18
UCO BANK	19	17
HDFC BANK	20	16
SHINHAN BANK	21	>20

We wish you and your families a happy celebration of the festive months ahead. We are blessed to be enjoying your patronage and goodwill!



## PSU



## Private



## Foreign Banks



## NBFC







## Now Bid and Re-Bid with Laser-Sharp 1 Basis Point Precision!

We're thrilled to share some exciting news with you - an enhancement that's designed to make your bidding experience on our platform even more competitive and rewarding.

### Introducing the Enhanced Re-bid Feature

To align with industry best practices and standards, we have implemented a critical enhancement to our re-bid functionality. You can now *re-bid at a rate that's just 1 basis point (0.01%) lower than your existing bid.*

Thank you for choosing us as your trusted partner. We look forward to continuing our successful journey together.



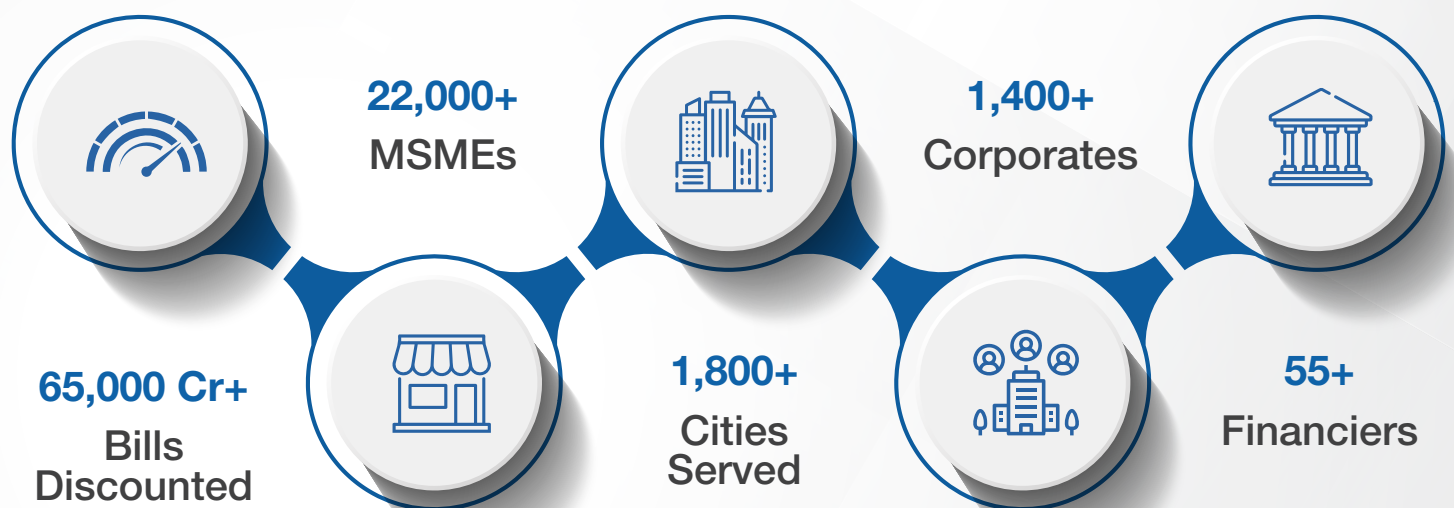
M1xchange is a TReDS (Trade Receivables Discounting) exchange that started in April 2017. M1xchange facilitates the financing of trade receivables of MSMEs from corporate buyers through ‘factoring’ or ‘invoice discounting’ by financiers (Banks and NBFC). Transactions on the TReDS platform happen digitally and start when the MSME Supplier of Goods & Services raises the invoice and the Buyer validates the same. This permits the financiers (Banks/ NBFCs) to bid against the verified and approved invoice. Once the supplier accepts the bid, the payment is processed in 24 hrs. and credited to the MSMEs bank account. Through this platform, M1xchange promises MSMEs greater access to finance at competitive rates and without providing any collateral. Further, the financing is without recourse. MSMEs pass on the risk of receivables to the financiers (NBFCs/Banks) by selling their receivables.



## M1xchange Insider

M1xchange is proud to be associated with top banks & financiers in India to ensure that the MSMEs in India doesn't face liquidity crunch and can get their bills discounted at the very competitive interest rate without any security or collateral. Until September, as many as 55+ banks and financiers are on-boarded which provides a bill-discounting facility to more than 22,000+ MSMEs from across 1,800+ states in less than 24 hours from the time of uploading bills on the M1xchange portal.

Digital lending has evidently served the problem areas of the MSME ecosystem. It has helped more than 17 Lakh invoices from MSMEs with a throughput value of INR 65,000+ crores to be discounted on the M1xchange platform. Thus, contributing to quick cash for MSMEs, which helps them in growth and timely completion of orders.



Financial Inclusion and Development Department (FIDD), Ahmedabad Regional office (ARO) conducted 29th workshop on NAMCABS 3.0 during September 12-13, 2023 at Morbi. A total of 41 bank officials from 20 banks including Public Sector Banks, Private Sector Banks, Regional Rural Banks and Small Finance Banks attended the workshop. Most of the participants were specifically dealing with MSMEs, catering to their credit and banking needs.

### Experience of Bank officials regarding TReDS:

From a banker's perspective, fostering awareness about the Trade Receivable Discounting System (TReDS) among MSME entrepreneurs is paramount for several crucial reasons. Firstly, TReDS provides a streamlined platform for MSMEs to convert their trade receivables into immediate cash flow, mitigating liquidity constraints that often stifle growth. This bolsters the financial health of these enterprises, reducing their dependency on costly short-term borrowings. Secondly, by participating in TReDS, MSMEs are able to establish a more transparent and credible financial track record, enhancing their creditworthiness. This, in turn, makes them more attractive to financial institutions for additional financing needs. Moreover, TReDS can serve as a powerful tool to curtail the incidence of delayed payments, a pervasive issue in MSME sectors, thereby enhancing overall operational efficiency. By familiarizing themselves with the intricacies of TReDS, bankers can actively guide and encourage MSME entrepreneurs to leverage this system to their advantage, ultimately contributing to a healthier and more vibrant ecosystem for small and medium enterprises.



## Shri Yuvraj Vaishnav

Assistant General Manager, Reserve Bank of India

Mynd welcomes and shares with great joy the news of Ms Claudia Goldin being awarded this year's economics Nobel prize. Ms. Goldin is only the third woman to have been so awarded in the field of Economics. The jury noted her work to be "the first comprehensive account of women's earnings and labour market participation through the centuries. The jury further said that only about half of women participate in the global workforce compared with 80% of men; they earn less and are also less likely to advance in their careers. Gender gap could be narrowed or closed "if firms did not have an incentive to disproportionately reward individuals who laboured long hours and worked particular hours", Goldin has argued.

In this regard, India's female labour force participation has fallen over the past two decades as the jobs moved from farms to construction, manufacturing and services. The State of Working India report by Azim Premji University notes that women's chance of going out to work falls as their husbands' pay rises but increases again as the figure crosses 40,000 per month. The gender pay gap is huge, too, with women earning just 76% of what men do. Pandemic related lockdown of 2020 and 2021 has valuable lessons related to women participation in workforce and wages earned: it put women workers, single, married, parenting having the chance to contribute equally as men in economic productivity by availing the opportunity of flexi working hours.

At Mynd Solution and its subsidiaries we ensure a safe and happy working place for entire team; women included. We are an equal opportunity employer and women constitute 25% of our workforce. Among the initiatives to keep our women team members motivated, we have taken initiatives like Job mobility, healthcare benefits, flexible schedules, and opportunities to move up in the organization which are critical components of a modern and thriving workplace. Job mobility encourages employees to explore different roles within the company, fostering personal growth and a deeper understanding of the organization's functions.

Comprehensive healthcare benefits ensure the well-being of employees and their families, promoting a healthier and more productive workforce. Flexible schedules allow for a better work-life balance, accommodating diverse needs and improving overall job satisfaction. Lastly, opportunities for career advancement within the organization not only motivate employees to excel but also provide the company with a pool of talented, experienced individuals who can contribute to its long-term success. Together, these elements create a dynamic and inclusive work environment that attracts and retains top talent.

## Neeru Mohindru

Director Marketing, M1xchange





## Mumbai Office

We were thrilled to unveil our new office in the heart of Mumbai! At M1xchange, we had created more than just a workspace - we had built a club that embodied our values of growth, collaboration, and happiness. We are on an incredible journey where bigger office space meets bigger dreams!

It was a celebration of growth, success, and limitless joy - it was a toast to our new office.



## Gurgaon Office

Celebrating the inauguration of M1xchange's new office space was a moment filled with blessings, prayers, and well-wishes. We were delighted to have you with us as we embarked on a journey of growth, innovation, and collaborative success.

In the past, this event marked the beginning of an exciting chapter, one that promised to be defined by growth, innovation, and a shared commitment to success. Your presence added a special touch to the occasion, and we were grateful for your support and good wishes as we moved forward in our journey.



## Bangalore & Noida Office

We are excited to announce the opening of our brand new offices in Bengaluru and Noida.

We took this significant step to serve you better. It was a testament to our commitment to expanding our reach and providing enhanced services to our valued clients in these locations. Your support and trust in our growth were greatly appreciated.



## Success is best when it's shared.

At M1xchange, we not only worked hard but also took moments to cherish the incredible people who made our team exceptional. It was a time to reflect on our achievements and express gratitude to the dedicated individuals who contributed to our success.



## Spreading Joy and Prosperity as we celebrate Ganesh Chaturthi with our amazing & lovely team at M1xchange!

The occasion was a time for our team to come together and celebrate not only the festival but also the spirit of unity and camaraderie. We adorned our workspace with vibrant decorations and shared delicious sweets and treats, creating a warm and festive atmosphere. It was a moment when we expressed our gratitude for the dedication and hard work of our team members, fostering a sense of togetherness and shared joy during this special festival.

## M1 celebrated this day by creating a “Freedom Wall”

Freedom had a different meaning for everyone. For some, it's freedom from restrictions or mental burdens, while for others, it's financial freedom. However, on this day, we experienced freedom as one – the freedom of our nation. M1 celebrated that day by creating a “Freedom Wall,” where every employee had the opportunity to express their thoughts on the meaning of Freedom. This sharing of perspectives captured the essence of our Independence Day.



## Mr. Brijesh Sahu, Director Sales, M1xchange, participated as a panelist at the World MSME Business Summit 2023.

During the event, he focused on policy reforms and tech-driven finance for MSMEs. In alignment with WASME's mission, M1xchange aimed to empower MSMEs through innovation and collaboration.



## Mr. Sundeep Mohindru, CEO, M1xchange, was part of a panel discussion on an equitable payment strategy for India at the

The event took place on 5th September, 2023 and featured an enthralling session where participants discovered how innovation and global collaboration were reshaping India's digital payments landscape.

## The PHD Chamber of Commerce & Industry organized the first edition of the Online Leadership series, "Unlocking the Leadership Edge."

Mr. Sundeep Mohindru, CEO of M1xchange, led an insightful session for entrepreneurs, providing them with valuable business strategies, insights, and inspiration.



## The wave of digital transformation in procurement

Our Chief Operating Officer, Amit Sachdev, spoke at the panel discussion on "Procurement Making Digital Transformation at Work - Digital is the Next Wave."







### ET MSME Regional Summit in Hyderabad

The Hyderabad edition of the ET Make in India - MSME Regional Summit convened key stakeholders of the local micro, small, and medium enterprises (MSME) leaders, entrepreneurs, and policymakers to delve into the rapidly evolving MSME industry in Telangana, which was one of the foundational pillars of the state's robust economy.

[Read more](#)



### TReDS platforms in India thrive with a remarkable 70% transaction surge

TReDS platforms have observed robust growth in transactions. The increasing awareness of their benefits is driving greater participation from both corporates and Micro, Small, and Medium Enterprises (MSMEs). Introduced by the RBI to tackle liquidity challenges faced by MSMEs, TReDS serves as an electronic platform for facilitating the financing and discounting of trade receivables of MSMEs. Presently, there are three RBI-approved platforms: Receivables Exchange of India Ltd (RXIL), A Treds Ltd (Invoicemart), and Mynd Solutions Pvt Ltd (M1xchange). These platforms continue to play a pivotal role in supporting MSMEs and streamlining trade finance processes.

[Read more](#)

