



The Inner Circle — Edition #11

TReDS Mandated for CPSEs: Your MSME Supplier Action Checklist

By Dr. Dibyendu Choudhury | April 2026 | The Inner Circle Newsletter

TReDS Now Mandatory for CPSEs

MSME POLICY UPDATE

The government has finally ended the late-payment crisis for MSME suppliers. **TReDS (Trade Receivables Discounting System)** is now mandatory for all Central Public Sector Enterprises (CPSEs) — which means if you supply to any government company, your invoices can now be discounted within 48 hours.

"This single policy change unlocks ₹40,000+ crore in working capital that was sitting locked in unpaid government invoices."

— Dr. Dibyendu Choudhury, April 2026

What This Means for Your Business

KEY IMPACT

48hrs

Invoice Discounting

Your invoices can now be discounted within 48 hours of upload

₹40K+Cr

Working Capital Unlocked

Crore in working capital previously locked in unpaid government invoices

<7%

Discounting Rate

The discounting rate for MSME-rated invoices is now under 7%

This is a landmark shift in MSME policy — one that directly addresses the chronic working capital crunch faced by suppliers to government enterprises. The mandate ensures CPSEs can no longer delay onboarding, making this a genuine enforcement mechanism, not just a recommendation.

Your MSME Supplier Action Checklist

ACTION REQUIRED

Follow these four steps immediately to take advantage of the TReDS mandate and unlock your working capital:

1

Register on a TReDS Platform

Choose any one of the three authorised platforms: **M1xchange, RXIL, or Invoicemart**. Registration is straightforward and can be completed online.

2

Get Your CPSE Buyer to Onboard

Your government buyer is now **legally required** to onboard on TReDS. If they have not done so, you can formally request compliance — the mandate gives you that right.

3

Upload Pending Invoices Immediately

Do not wait. Upload all pending invoices as soon as both parties are registered. The sooner you upload, the sooner your working capital is freed.

4

Avail Discounting at Under 7%

The discounting rate for MSME-rated invoices is now under **7%** — significantly lower than most working capital loan rates available in the market.

The Three TReDS Platforms

AUTHORISED PLATFORMS

The Reserve Bank of India has authorised three platforms for TReDS. You only need to register on one to begin discounting your invoices against CPSE buyers.

M1xchange

Operated by Mynd Solutions. One of India's largest TReDS platforms with a wide network of financiers and buyers across sectors.

RXIL

Receivables Exchange of India Ltd — a joint venture between SIDBI and NSE. Strong institutional backing and deep integration with public sector buyers.

Invoicemart

Operated by A.TREDS Ltd — a joint venture between Axis Bank and mjunction. Known for its user-friendly interface and quick onboarding process.

- ✔ All three platforms are RBI-regulated and equally valid. Choose based on which platform your CPSE buyer is already registered on — this speeds up the process significantly.

Leadership Insight

FROM THE BHAGAVAD GITA

The One Question Every Leader Must Answer Before Any Big Decision

Chapter 2 of the Bhagavad Gita contains the most compressed leadership manual ever written. In eighteen verses, Krishna gives Arjuna a framework for decision-making under maximum uncertainty — facing family, duty, mortality, and identity all at once.

The question Krishna forces Arjuna to answer is not "*what should I do?*" but "**who am I, and what do I stand for?**" Every leadership crisis I have ever seen — in MSMEs, in boardrooms, in families — collapses into this same question.

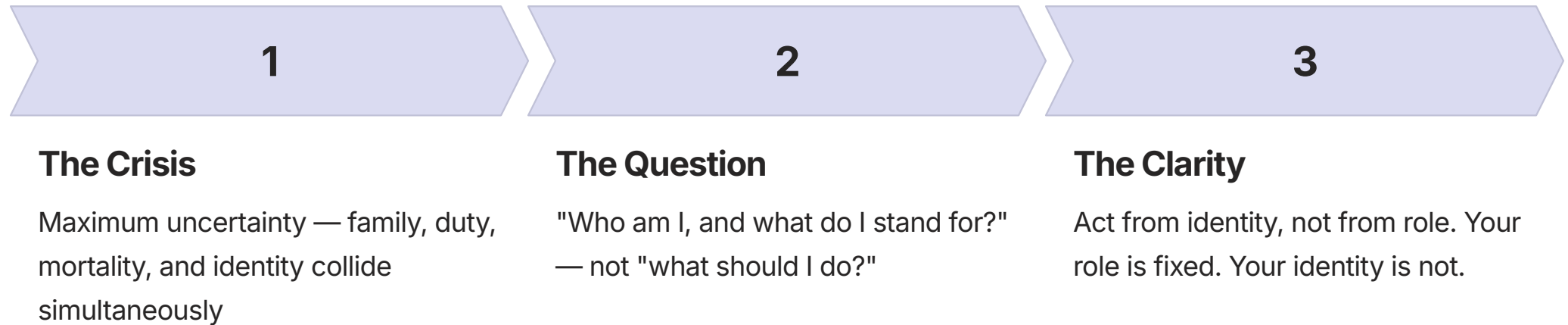
"Your role is fixed. Your identity is not. The Gita teaches you to act from identity, not from role."

— Dr. Dibyendu Choudhury

The Gita's Decision Framework

LEADERSHIP WISDOM

Krishna's teaching in Chapter 2 is not abstract philosophy — it is a practical framework for leaders facing impossible choices. The framework works because it separates **who you are** from **what you do**.



Every leadership crisis — in MSMEs, in boardrooms, in families — collapses into this same question. The Gita's genius is that it does not give Arjuna a tactical answer. It gives him a **philosophical foundation** from which all tactical decisions become clear.

Applying Gita Wisdom to MSME Leadership

PRACTICAL APPLICATION

The Common Mistake

Most MSME leaders ask "what should I do?" when facing a crisis — a cash crunch, a difficult client, a team conflict. This question leads to reactive, role-based decisions that solve the immediate problem but erode long-term identity.

When you act from role alone, you become a different person in every situation. Your team cannot predict you. Your partners cannot trust you. Your decisions lack coherence.

The Gita's Answer

Ask instead: "**Who am I, and what do I stand for?**" This question anchors every decision in your values and identity — making you consistent, trustworthy, and ultimately more effective as a leader.

The eighteen verses of Chapter 2 are not a religious text for the boardroom. They are a **compressed decision-making manual** for anyone who leads under pressure.

From the Bookshelf

BOOK RECOMMENDATION

Accelerate Your Hustle: 7 Rules & 9 Attributes

The startup playbook for Indian entrepreneurs — **7 rules** that separate founders who scale from those who stall.

Who It's For

Indian entrepreneurs, MSME founders, and startup builders who want a structured framework for scaling their ventures beyond the early hustle phase.

What It Covers

Seven rules that separate founders who scale from those who stall — and nine attributes that define the mindset of India's most successful entrepreneurs.

Where to Get It

Available on **Amazon India**. A practical, no-nonsense guide written from deep experience in the Indian business ecosystem.



Until Next Fortnight

THE INNER CIRCLE

Keep thinking, keep building.



Retd. Govt. Employee

Ministry of Micro, Small & Medium Enterprises (MoMSME)



Author

Accelerate Your Hustle and other works on Indian entrepreneurship



MSME Policy Expert

Decades of experience shaping policy for India's small business ecosystem



Vedic Scholar

Bridging ancient wisdom with modern leadership and business practice

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