

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 4529
TO BE ANSWERED ON 19.03.2026

TRADE RECEIVABLES DISCOUNTING SYSTEM

4529. SHRI B Y RAGHAVENDRA:

Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

- (a) the progress made in strengthening the Trade Receivables Discounting System (TReDS) platform to improve timely payments and liquidity for Micro, Small and Medium Enterprises (MSMEs), particularly after the recent Budget announcements;
- (b) the details of the number of MSMEs onboarded, total invoice value financed and average reduction in payment cycles through TReDS during the last three financial years;
- (c) whether the Government proposes further measures to encourage wider onboarding of Central Public Sector Enterprises (CPSEs) and eligible private entities and to expand credit guarantee support under Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) for invoice discounting;
- (d) the details of MSMEs registered and transactions undertaken on TReDS, State-wise including specific data relating to the State of Karnataka; and
- (e) the steps being taken to enhance awareness and participation of MSMEs in Karnataka under the platform?

ANSWER

MINISTER OF STATE FOR MICRO, SMALL AND MEDIUM ENTERPRISES
(SUSHRI SHOBHA KARANDLAJE)

(a): Trade Receivables Discounting System (TReDS) are the digital platform, which facilitate the financing of trade receivables of Micro, Small and Medium Enterprises (MSMEs) through multiple financiers. In order to implement the Budget announcements 2026, to identify actionable recommendations, to operationalise the measures announced for strengthening TReDS ecosystem, the Government of India initiated consultations with stakeholders such as industry Associations, Central Public Sector Enterprises, Financial Institutions and TReDS platforms. Further, Department of Financial Services (DFS) held deliberations with stakeholders to examine implementation pathways and policy enablers.

(b): As informed by the Reserve Bank of India (RBI), during the last three financial years (2023-24 to 2025-2026, till 28.02.2026), a total of 1,46,179 Micro, Small and Medium Enterprises (MSMEs) have been onboarded on TReDS Platforms. It is also informed that one enterprise may be on boarded on more than one platform. Total invoice value finance amounting to Rs. 6,77,072.67 Crore has been financed, during the same period.

As informed by Receivables Exchange of India Limited (RXIL) a study namely “Impact Assessment of the Trade Receivables Discounting System” from Indian Institute of Management, Bangalore and Ahmedabad University, was conducted. As per the report, it has been suggested that the participation on the TReDS platform reduces the receivable cycle of MSME suppliers by around 23 % points on average.

(c): To expand participation on TReDS platform for more liquidity to MSMEs in Budget Announcements 2026, the following four key measures have been announced:

- i. Mandate TReDS as the settlement platform for all purchases from MSMEs by CPSEs, setting a benchmark for other Corporate.
- ii. Introduce CGTMSE-backed credit guarantee support for invoice discounting on TReDS platform.
- iii. Integrate GeM with TReDS to enable information-sharing with financiers on government MSME purchases, facilitating faster and cheaper credit.
- iv. Introduce TReDS receivables as asset-backed securities to deepen the secondary market, improve liquidity, and speed up settlements.

(d): As informed by TReDS Platforms, the number of MSMEs onboarded on TReDS in all States is around 1.98 lakh and the total invoice amount financed so far is Rs. 8.29 Lakh crore. The number of MSMEs onboarded on TReDS in the State of Karnataka is 13,365 and the total amount financed is Rs. 55,806.25 Crore. State-wise details are at Annexure-I.

(e): As informed by TReDS Platforms various steps have been taken to enhance awareness and increase participation of MSMEs on TReDS platform across India, including the State of Karnataka. Multiple online and offline awareness programmes are being conducted. In addition, MSME associations are actively involved into awareness.

Annexure I

Annexure referred to in reply of the part (d) of Lok Sabha Unstarred Question No.4529 for answer on 19.03.2026.

Sl. No.	States/UTs	MSMEs on boarded	Total Invoice value Financed (Rs. in Crore)
1.	Andaman and Nicobar Islands	81	77.56
2.	Andhra Pradesh	5,411	18,723.71
3.	Arunachal Pradesh	43	38.98
4.	Assam	1,254	2,330.48
5.	Bihar	2,871	10,792.77
6.	Chandigarh	336	1,336.67
7.	Chhattisgarh	3,558	23,038.3
8.	Dadra & Nagar Haveli and Daman & Diu	600	5626.87
9.	Delhi	12,813	65,688.28
10.	Goa	637	1,934.11
11.	Gujarat	19,334	93,448.11
12.	Haryana	10,556	47,157.87
13.	Himachal Pradesh	974	4,325.01
14.	Jammu & Kashmir	724	1,770.66
15.	Jharkhand	3,172	19,726.46
16.	Karnataka	13,365	55,806.25
17.	Kerala	2,092	5,311.7
18.	Ladakh	14	4
19.	Madhya Pradesh	7,997	22,125.47
20.	Maharashtra	35,127	1,62,410.6
21.	Manipur	39	350.77
22.	Meghalaya	50	299.35
23.	Mizoram	20	52.03
24.	Nagaland	32	49.9
25.	Odisha	3,531	14,491.91
26.	Puducherry	224	876.08
27.	Punjab	3,851	20,217.21
28.	Rajasthan	12,276	37,998.03
29.	Sikkim	52	80.39
30.	Tamil Nadu	18,110	60,850.87
31.	Telangana	10,971	41,256.2
32.	Tripura	66	44.38
33.	Uttar Pradesh	15,658	47,282.36
34.	Uttarakhand	1,821	8,461.79
35.	West Bengal	10,608	54,840.86
	Total	1,98,268	8,28,825.99