

Receivables Exchange of India Ltd (RXIL)

- Receivables Exchange of India Ltd (RXIL) was incorporated on February 25, 2016 as a joint venture between the Small Industries Development Bank of India (SIDBI) – the apex financial institution for promotion and financing of MSMEs in India and National Stock Exchange of India Limited (NSE) - premier stock exchange in India.
- RXIL operates the Trade Receivables Discounting System (TReDS) Platform as per the TReDS guideline issued by the Reserve Bank of India (RBI) on December 3, 2014.
- RXIL is the **first entity to receive approval from RBI on December 01, 2016** to launch India's First TReDS Exchange.
- **The State Govt. gets the following benefits by participating and transacting on the RXIL TReDS platform:**
 - Extended payment terms up to 180 days with 'nil' transaction cost to the State Govt.
 - Multiple financiers allocate limits and bid on invoices at competitive rates.
 - Paperless digital platform with control at the State Govt. (Buyer's) end.
 - Timely settlement of the MSME dues without immediate expenditure from the State Govt.'s Treasury.
 - Single window approval for payment of invoices and consolidated view of the invoices discounted.
 - Automated repayments triggered to the financier on the due date.
- **Benefits of TReDS platform to MSME Suppliers:**
 - TReDS platform provides a digital and transparent MSME bill discounting system for prompt and timely payments to MSMEs reducing delays in their payment receipts.
 - Financing to MSMEs on TReDS platform is based on the strength of buyer credit rating and without any recourse and collateral on MSMEs.
 - Payment to MSMEs is prompt at highly competitive rates through an online auction MSMEs have received financing at very competitive rates, ranging between 6.0% pa.-8.0% pa on the RXIL TReDS platform.

Invoicemart

Invoicemart is a Trade Receivables Discounting System (TReDS) platform set up to resolve the credit challenges faced by MSMEs. It is promoted by A.TReDS Ltd. (a joint venture between Axis Bank and mjunction services), which received the license for the platform on June 29, 2017, and started operations on July 5, 2017.

The advantages of collaborating with Invoicemart are as follows:

- Invoicemart has the highest number of participants (MSME suppliers, Public Sector Enterprises, Public Limited Companies and Financiers) among all TRCDS platforms in the country. This will ensure quick volume generation and reporting of initial success
- We have in place a digital on-boarding process which shall assist your Departments / Corporations / State PSUs in quick on boarding of all of their MSME suppliers
- Invoicemart shall enable on time / early payments to MSME suppliers of State Government Departments / Corporations (discounting charges borne by suppliers) in case of delay in receipt of allocated funds from State Treasury
- MSMEs engaged in the Infrastructure and other Developmental & Welfare projects in the State shall benefit from this initiative to overcome their short term liquidity concerns and assist them in timely completion of contracts
- Invoicemart offers a world class technology platform which provides intuitive user experience, seamless user onboarding and integration with ERPs. We have rich experience of working extensively with a lot of PSUs and Corporates on complex ERP integrations across single/multiple plants.
- We have a robust system to share on time data on TRCDS for MIS purpose Invoicemart gives access to a secured and robust IT infrastructure (ISO 27001), capable of handling large volumes of transactions.
- Preferred platform for PSUs. Transaction focused approach. Reputed active PSUs with good volumes enabled by ERP integration, co-ordinated vendor on-boarding through regular vendor meet / webinars etc
- Financier's preferred platform: Many MNC and reputed PSU / Private Banks trust the due diligence & transaction handling capability of the platform.
- Dedicated relationship Management team for Buyer, seller and Financier partnership management. This ensures superior engagement, client ownership and service delivery
- Business unit functionality and other customization available for various large PSUs / Reputed corporates

The existing 42 Financiers (including our promoter Axis Bank) registered on our platform is a mix of Public & Private Sector Banks, MNC Banks, Small Finance Banks and NBFC-Factors actively participating on our platform with competitive bids. Besides, the above pool of financiers with the amendment in the Factoring Regulation Act, NBFCs are now eligible to participate on the platform as financiers.

Comparative Analysis of RXIL and Invoicemart

S.No.	Components	RXIL	Invoicemart
1	Incorporated	February 25, 2016	June 29, 2017
2	Ownership	A joint venture between the SIDBI and National Stock (NSE)	A joint venture between Axis Bank and Mjunction services
3	Number of Participants (CPSE, State PSUs and Corporate)	791	1095
4	Total MSME registered	11,149	13,900
5	Number of Invoice Financed	15.7 Lakhs	11 Lakhs
6	Value of invoice discounted	INR 26.750 Cr.	INR 30,000 Cr.
7	No. of Financiers	51	42
8	Rate Range	Avg Rate 6.82% (Range from 3.55% - 12.50%)	Avg Rate 5% (Range from 5% - 8%)
9	Tenor Finance	1 day to 180 days	1 day to 180 days
10	Invoice Amount Range	INR 100 to INR 15 Cr	INR 5000 to INR 15 Cr