GOVERNMENT OF ODISHA
FINANCE DEPARTMENT
***

RESOLUTION

No. 31241 /F, Dt. 13.12.2022

FIN-PUIF-MISC-0027-2022

Sub:Participation of Government agencies in Trade Receivables Discounting System (TReDS) platform.

Micro, Small and Medium Enterprises (MSMEs) are the growth accelerators of the Indian economy, contributing significantly in the country's gross domestic product (GDP). They are also integral part of the export supply chain and play an important role in employment generation across the country.

2. Despite the important role played by MSMEs in the economic fabric of the country, they continue to face constraints in obtaining adequate finance. Small ticket sizes, lack of credit history and insufficient collateral to raise funds from the traditional banking system are the primary issues faced by small businesses. They also face problems in terms of their ability to convert their trade receivables into liquid funds.

3. In order to address these pan-India issues, TReDS platform is institutionalised for financing of trade receivables of MSMEs from Corporates, Government Departments and Public Sector Undertakings (PSUs) through an auction mechanism with bidding by multiple financiers. TReDS platform helps MSMEs in early conversion of receivables to cash and that too at competitive rates based on rating of the Buyers.

4. The Government of India has mandated companies with a turnover of Rs.500 crore and all Central PSUs to on-board onto the TReDS platforms to democratize the digital ecosystem.

5. In the similar lines, State Government is pleased to order its various agencies to participate in the available TReDS platforms namely RXIL, Invoice Mart, M1 Exchange for settling the bills of MSME suppliers of goods and services. In the first instance, the following agencies who operate through Commercial Banks shall participate in TReDS platform:

i. All State Public Sector Undertakings
ii. All Municipal Corporations,
iii. Sewerage Board, Housing Board, Development Authorities etc.
iv. State level Autonomous Bodies/Societies

6. MSME Department is declared as Nodal Department for this purpose and would issue detailed operational guidelines/ Standard operating Procedure in this regard.

Order: *Ordered that this resolution be published in the Extraordinary issue of the Odisha Gazette.*

By Order of the Governor

(Vishal Kumar Dev)
Principal Secretary to Government

27/5/19

Sri T.K. Pattanaik
Sub-Nodal Officer, FID

Memo No 31242 **/F,** **Date** 13.12.2022

Copy forwarded to the Private Secretary to Additional Secretary to Hon'ble Chief Minister, Odisha/Private Secretary to Finance Minister/Principal Accountant General, Odisha, Bhubaneswar/ OSD to Chief Secretary/ Principal P.S. to DC-cum-ACS /All Departments of Government/All Heads of Department/ All RDCs/ All Collectors for information.

13/12/2022

Deputy Secretary to Government

Memo No 31243 **/F,** **Date** 13.12.2022

Copy forwarded to the Director, Printing, Stationery & Publication, Odisha, Cuttack for information and necessary action. It is requested to provide 20 copies to Finance Department for record.

13/12/2022

Deputy Secretary to Government

Memo No 31244 **/F,** **Date** 13.12.2022

Copy forwarded to the Sub-Nodal Officer (E-Gazette), Finance Information Division, Finance Department for hosting in the Finance Department website (https://finance.odisha.gov.in). The Resolution may be uploaded in the website of Finance Department and posted in the Social Media by the Social Media Cell (fd.odisha@gmail.com) for wider circulation.

13/12/2022

Deputy Secretary to Government

Memo No 31245 **/F,** **Date** 13.12.2022

Copy forwarded to all Officers of Finance Department/ all branches of Finance Department for information.

13/12/2022

Deputy Secretary to Government