

Dear Sir / Madam,

Webinar: Explaining Factoring Act and Introduction to TReDS for NBFCs & MSMEs by RXIL Wednesday, October 06, 2021 from 5:00 pm to 6:30 pm

With the amendment to the Factoring Regulation (Amendment) Bill 2020, RBI registered NBFCs would be eligible to undertake factoring business and participate as the Financiers on TReDS platform, once the TReDS guidelines are suitably amended by RBI.

IMC Chamber of Commerce and Industry (IMC) and Finance Industry Development Council (FIDC) in collaboration with Receivables Exchange of India Ltd. (RXIL) invite members of IMC and FIDC to this unique online learning experience at the **Webinar on Explaining Factoring Act and Introduction to TReDS for NBFCs & MSMEs by RXIL.**

The details of the webinar are as below :

Day & Date : Wednesday, October 6, 2021
Time : 5:00 p.m. to 6:30 p.m.
Online Platform : Zoom

The following points will be covered:

1. Factoring Regulation Bill 2020 – Key Highlights
2. Background & Evolution of TReDS
3. Introduction of RXIL
4. TReDS Workflow
5. Benefits for Financiers, Buyers and Sellers
6. RXIL performance snapshot
7. New Initiatives
8. Q&A session

Mr. Roshan Singh, Head Financial Institutions, Receivables Exchange of India Ltd. will address the Webinar.

About Trade Receivables Discounting System (TReDS)

TReDS is an electronic platform for facilitating the financing/discounting of Trade Receivables of Micro, Small and Medium Enterprises (MSMEs) through multiple financiers. These receivables can be due from corporate and other buyers, including Government Departments and Public Sector Undertakings (PSUs).

Brief about Receivables Exchange of India Limited (RXIL)

Small Industries Development Bank of India (SIDBI), and National Stock Exchange of India Ltd. (NSE), along with State Bank of India, ICICI Bank and Yes Bank launched India's first TReDS platform under RXIL on February 26, 2016.

RXIL has been in existence since January 2017 and has collectively discounted invoices worth more than INR 14,000 crores drawn by over 8,900 MSMEs. The RXIL TReDS platform over the last four years has shown its robustness and scalability in terms of providing low-cost finance to MSMEs across the country.

Highlight of changes in Factoring Act

- **Section 2 “Definitions” now include TReDS** – *“Trade Receivables Discounting System” means a payment system authorised by the Reserve Bank of India under section 7 of the Payment and Settlement Systems Act, 2007 for the purpose of facilitating financing of trade receivables*
- **NBFCs other than NBFC factors will be allowed as financiers** - The widening of scope of financiers by permitting NBFCs would possibly lead to discounting of invoices of lower rated buyers on TReDS platform as NBFCs form an important source of MSME financing.
- **RBI to make regulations:** The Bill empowers RBI to make regulations for: (i) the manner of granting registration certificates to a factor, (ii) the manner of filing of transaction details with the Central Registry for transactions done through the TReDS, and (iii) any other matter as required.

The webinar is expected to be attended by more than 200 professionals including MSMEs, non-banking companies, bankers, finance professionals, chartered accountants and eminent industrialists, amongst others.

Kindly note there is **NO PARTICIPATION FEE**. However, **registration is mandatory**.

We will appreciate to have your confirmations by registering on our website at <https://www.imcnet.org/events-1322> or register by email

to bharati@imcnet.org. On receiving your confirmation, the meeting details will be shared with you.

We do hope you will be able to seize the opportunity and participate in this Webinar.

Regards,

Ajit Mangrulkar
Director General