



INDIAN INSTITUTE OF MANAGEMENT KOZHIKODE



Case Study

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**Does the adoption of the TReDS platform help
CPSE in its Financial Performance?**

Aswin Alora ¹

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Please contact the corresponding author, if you would like to access the full case study.

¹Assistant Professor, Finance, Accounting and Control area, Indian Institute of Management Kozhikode, IIMK Campus PO, Kunnangalam, Kozhikode, Kerala 673 570, India; Email: aswinalora@iimk.ac.in, Phone Number - 0495 2809664

Does the adoption of the TReDS platform help CPSE in its Financial Performance?

Abstract:

ABC Ltd. is an Indian aerospace manufacturing and defense company owned by Government of India with headquarters in Bangalore, Karnataka. ABC Ltd. is listed as one of the central public sector undertakings (PSU) that works as buyer for MSMEs and seller for the Government. Starting from November 2, 2023, the Government has required all companies (Large Corporates) that are registered under the Companies Act, 2013 and have a turnover of more than Rs. 500 Crore (Rupees Five Hundred Crore) according to their latest audited financial statements, as well as all Central Public Sector Enterprises (CPSEs), to register on the TReDS Platform. This is to ensure that MSME Suppliers have access to sufficient cash liquidity. Nevertheless, the organisation required persuasion regarding the advantages of this initiative.



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Indian Institute Management Kozhikode
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Research Office
Indian Institute of Management Kozhikode
IIMK Campus P. O.,
Kozhikode, Kerala, India,
PIN - 673 570
Phone: +91-495-2809237/ 238
Email: research@iimk.ac.in
Web: <https://iimk.ac.in/publications>

