

NACH Settlement Schedule Change: New Intraday Debit Timelines — Action Required

Dear Partner,

M1xchange is introducing an important change to the NACH-based settlement process on the TReDS platform, aligned with NPCI's updated multi-session framework (Circular NPCI/2021-22/NACH/011). We will move from a single overnight settlement to **two intraday debit cycles within the same business day**. The effective date will be communicated to you with a minimum of **7 calendar days' advance notice**.

What Is Changing

The table below shows the full picture — current process versus the new schedule — covering bid windows, obligation timings, funding dates, and when NACH debits will run:

Scenario	Bids Accepted Between	Obligation Sent At	Funding Date	Debit Runs At
Current Process (As-Is)				
Single overnight cycle	Until 9:00 PM (T0)	10:00 PM (T0)	Next working day (T+1)	T+1 (12 PM – 2 PM)
New Process (To-Be) — Two Intraday Cycles				
Cycle A — Morning	12:00 AM – 9:00 AM (T0)	9:30 AM (T0)	Same day (T0)	10:00 AM (T0)
Cycle B — Afternoon	9:00 AM – 1:00 PM (T0)	1:30 PM (T0)	Same day (T0)	2:00 PM (T0)
Cycle C — Next Day	1:00 PM – 12:00 AM (T0)	9:30 AM (T+1)	Next working day (T+1)	10:00 AM (T+1)

Important: Bids accepted between 1:00 PM and 12:00 AM will carry a funding date of the **next working day (T+1)**. Obligation will be communicated at 9:30 AM on T+1 and NACH debit will run at 10:00 AM on T+1. Please plan fund placement accordingly.

No changes to your NACH mandate or registered bank account are required.

The debit continues from the same account — only the obligation timing shifts to morning / early afternoon rather than late night.

What This Means for You — Key Benefits

Beyond the process change, this shift brings meaningful operational improvements for your team:

Special segments now covered

Segments like Agri-commodities, Transporters etc. which need same-day funding were not able to take advantage of TReDS. This move enables them to start adopting and giving benefits to their MSME vendors and larger ecosystem.

More Bidding Flexibility, Less End-of-Day Rush

Post-1 PM bids now carry a T+1 funding date, with obligation only at 9:30 AM next day. This relieves the pressure on late-evening bidding decisions and gives your credit team more time to review and act.

Same-Day Fund Deployment up to 1:00 PM

Bids accepted until 1:00 PM result in same-day settlement. This enables more efficient use of your available funds on the day — funds committed in the morning can be deployed and settled within the same business day.

Cleaner Intraday Reconciliation

Two clearly defined settlement cycles (10 AM and 2 PM) replace a single opaque overnight batch, making it easier to reconcile debits against specific bid batches in real time.

What You Need to Do

- Inform your treasury and operations team of the new morning / afternoon debit schedule — funds must be placed before 10:00 AM and 2:00 PM for same-day bids (Cycles A & B), and before 10:00 AM on T+1 for afternoon / overnight bids (Cycle C).
- Ensure your internal liquidity and cash management processes account for intraday debits during business hours rather than a single overnight debit.
- Review internal reconciliation workflows that currently expect a single end-of-day settlement and align them to two daily cycles.

For queries, contact your M1xchange Relationship Manager or write to helpdesk@m1xchange.com

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