M1xchange
TReDS Platform

PLATFORM UPDATE
Notice to Financiers & Member Banks

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 settlement to **two intraday debit cycles within the same business day.**

What Is Changing

The table below shows the new intraday settlement 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
New Process — Two Intraday Cycles				
Cycle A — Morning	12:00 PM (previous day) – 6:00 AM (T0)	7:00 AM (T0)	**Same day (T0)**	12:00 PM (T0)
Cycle B — Afternoon	6:00 AM – 12:00 PM (T0)	01:00 PM (T0)	**Same day (T0)**	2:00 PM - 4PM (T0)

Important: Bids accepted after 12:00 PM will be picked up in the following business day's Morning Cycle (6 am Cut-off). Obligation will be communicated at 7:00 AM on T+1 and NACH debit will run at 12:00 PM on T+1. Please plan fund placement accordingly.
Any transaction which remains unprocessed in the morning cycle will move into the Afternoon cycle.

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.

Cycle Configuration: The first (morning) settlement cycle will be enabled by default. Financiers may choose to keep one or both cycles active, with at least one cycle mandatorily enabled at all times. For any change in your cycle configuration, please contact your M1xchange Relationship Manager.

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-12 PM bids now carry a T+1 funding date, with obligation only at 7:00 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 12:00 PM** Bids accepted until 12:00 PM result in same-day settlement. This enables more efficient use of your available funds on the day funds get committed in the morning can be deployed within the same business day.	

What You Need to Do

- Inform your treasury and operations team of the new morning / afternoon debit schedule. Funds must be placed before **12:00 PM and 2:00 PM** for same-day bids (Cycles A & B), and before **12:00 PM on T+1** for bids submitted after 12:00 PM.
- 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.
- Confirm your cycle configuration preference with your Relationship Manager if you wish to enable only one of the two cycles or both (default: Cycle A enabled).

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