FAQs: Early Pay-In

1. What is Early Pay-In (EPI)?

Early Pay-In (EPI) is a facility that allows you to receive **trading margin** against the sale of your **Demat holdings** before the normal settlement cycle is completed. This enables you to use the eligible sale proceeds for placing new trades without waiting for the settlement to be completed (Ideally T+1).

2. Why is Early Pay-In (EPI) done?

When you sell shares from your Demat account, the securities are blocked in favour of the Clearing Corporation for settlement against the Pay-in/Sell obligation. If these securities are delivered to the Clearing Corporation before the scheduled settlement date, it is known as **Early Pay-In (EPI)**.

When an early pay-in request is accepted by the depositories, the broker is allowed to pass on the benefit (limit) to the client against the cash sell transaction value.

3. What is changing in the Early Pay-In process?

The trading margin made available after successful completion of the EPI process will be revised as below:

- **Current:** 100% of the sell value is provided as trading margin.
- **Revised:** 80% of the sell value will be provided as trading margin.

Example:

Particulars	**Current Process**	**Revised Process**
Stock Name	ABC Ltd.	ABC Ltd.
Available DEMAT Balance	100 Qty	100 Qty
Sell Price	₹5000 per share	₹5000 per share
Quantity Sold	10 Shares	10 Shares
Total Sell Value	₹ 5,00,000	₹ 5,00,000
Trading Margin Available after successful EPI Process	**₹5,00,000 (100% of Sell Value)**	**₹4,00,000 (80% of Sell Value)**

4. Does this apply to all sell transactions?

No. This change applies only to **delivery sell transactions of free quantity holdings in your Demat account** processed through the Early Pay-In mechanism. It does not apply to intraday trades or other non-delivery transactions. A “free quantity holding” in the demat account refers to the quantity available for you to sell and which is not pledged or blocked or under any lock-in.

5. Can I use the available EPI trading margin immediately?

Yes. Once the Early Pay-In process is successfully completed and the trading margin is credited, you can use the available margin for placing new trades.

6. When will I receive the remaining 20% of my sell value?

The remaining **20%** of your sell value will continue to be credited through the existing settlement process.

7. Can I withdraw the EPI trading margin?

No. The EPI benefit provides **trading margin** for placing trades and is **not available for withdrawal**. The sale proceeds become available for withdrawal only after the settlement is completed.