



APRIL 2025

NEWS LETTER

From Customer Care Desk

April 2025 "NEWS LETTER" with the latest communication, updates and other important points.

LATEST COMMUNICATIONS AND UPDATES



EXCITING UPDATE! **NRI E-WEALTH MF ACCOUNT** OPENING NOW GETS EASIER :

(Mail dated – 4th April 2025)

- ▶ We are thrilled to introduce a significant enhancement in our NRI E-Wealth Mutual Fund account opening process!
- ▶ Until now, Aadhaar was mandatory for online NRI account opening, and in its absence, clients had to submit physical forms and documents. We understand that most NRIs do not have an Aadhaar, making the online process inaccessible to many. To address this, we are launching a seamless **OTP-based authentication** method!
- ▶ **What's Changing?**
- ▶ Starting April 6, 2025, NRI clients can now authenticate their account opening using an OTP sent to their email ID & mobile number (Indian) registered in KRAs, only if the below conditions are met :
 - Their KYC status is "Registered" or "Validated."
 - Their email ID & mobile number registered in KRA are valid and operative
- ▶ **Action Required for Pending Applications**
- ▶ Before we go live with this enhanced process, all existing applications currently in "Document Awaited" status must be completed by April 5, 2025. Any applications still pending after this date will be marked as canceled and will need to be re-initiated under the new system.
- ▶ We urge you to ensure all pending applications are completed at the earliest to avoid any inconvenience to your clients.
- ▶ This update makes NRI E-Wealth MF account opening more accessible and efficient, allowing more investors to benefit from our digital platform.

IMPORTANT UPDATE: **REVISED PLEDGE & UNPLEDGE FORMS** EFFECTIVE APRIL 15, 2025 :

(Mail dated – 05th April 2025)

- ▶ We would like to inform you that the depositories have revised the Pledge & Unpledge forms. The updated forms have been made available on the Partner Desk as well as NJ Assist for your convenience.
- ▶ We kindly request you to begin using the updated forms with immediate effect. Please note that any old forms currently in transit or pending submission will be accepted only until **April 14, 2025**.

TRACK YOUR E-WEALTH / E-WEALTH MF CLIENT'S DOCUMENT SUBMISSION STATUS ONLINE

(Mail dated – 08th April 2025)

- ▶ We are pleased to introduce a new feature in our Customer Care utility that allows you to track the status of your E-Wealth & E-Wealth MF client's documents submitted at our branches for processing at our Head Office.
- ▶ **How It Works:**
 - After you submit a document at the branch, a record will be created by generating a ticket ID / query ID under the query type **"Physical Document Submission."**
 - The branch CRO will select the applicable sub-type based on the document type (e.g., DRF, Modification Form, etc.) and make the entry.
 - Once the entry is done, a ticket or query will be generated, and you can track the document's status through the **View Queries Report** from your Partner Desk.
- ▶ **Real-Time Status Updates:**
- ▶ You will be able to view the progress of your submission with status updates such as:
 - **Sent for Approval**
 - **Not Approved**
 - **Received at HO**
 - **Processed**...and more, ensuring transparency and ease of tracking.
- ▶ This feature is designed to provide you with better visibility and control over your physical document submissions anytime.

AADHAAR OTP MODE NOW AVAILABLE TO AUTHORIZE E-MANDATE FOR MUTUAL FUND SEGMENT

(Mail dated – 11th April 2025)

- ▶ We are excited to inform you that we have introduced the Aadhaar OTP mode for E-Wealth & E-Wealth MF clients to authorize E-Mandate for the "Mutual Fund" Segment. This mode is made available during online account opening.
- ▶ **Key Highlights:**
 - If the client's bank is eligible for Aadhaar OTP-based authorization, this mode will be default selected.
 - Clients will also have an option to select a different authorization mode, if required.
- ▶ **Aadhaar OTP Authorization Process:**
 - The client will be redirected to the NPCI portal.
 - The client will enter their Aadhaar number, which will be verified on NPCI through an OTP sent to the mobile number linked with Aadhaar by UIDAI.
 - Upon successful Aadhaar verification, the client's bank will send an OTP to the mobile number registered with the bank account.
 - After this OTP is verified, the e-mandate will be considered approved and ready for use.
- ▶ **Important Points:**
 1. We have observed that some banks are rejecting E-mandates authorized via Aadhaar OTP or E-Sign, particularly when there are multiple holders in the bank account i.e. holding mode is "Either or Survivor."
In such scenarios, we recommend guiding clients to opt for a different mode of authorization (Netbanking or Debit Card) to avoid rejection and ensure smooth mandate registration.
 2. Client's Aadhaar number must be linked to their bank account for Aadhaar OTP-based mandates to be successfully authorized. If not linked, there are high chances of rejection by the bank.

3. This mode is currently available only for mandates in the Mutual Fund segment and available during online account opening. It will soon be available in the My Profile section of the E-Wealth / E-Wealth MF account as well as Partner Trax (PIT) .
 4. The mandates will be registered in favor of either "ICCL" or "NSE CLEARING LTD NSE INVEST," the clearing corporations of BSE and NSE. Effective immediately, the fresh mandates will be registered in favor of NSE CLEARING LTD NSE INVEST.
 5. If you have generated scan mandates in favor of "ICCL" but haven't uploaded them yet, please do not upload them now. Such mandates may get cancelled. We recommend generating fresh scan mandates in favor of NSE CLEARING LTD NSE INVEST and uploading those to avoid any cancellations.
 6. By April 20, 2025, clients will be able to transact using the E-mandates submitted through Aadhaar OTP, Netbanking or Debit Card as soon as they are successfully authorized by the clients.
- We request you to take note of the above and assist your clients accordingly during mandate submission.

TRANSACTION CHARGES FOR REDEMPTION OF MF DEMAT UNITS ON NEW E-WEALTH ACCOUNTS

(Mail dated – 19th April 2025)

- We wish to inform you about a recent update regarding transaction charges applicable to E-Wealth accounts. Effective May 1, 2025, for all E-Wealth accounts opened on or after this date, a depository and depository participant charge of **Rs. 5 per ISIN per transaction** will be applicable on redemption transactions of mutual fund units held in demat form.
- **Please note:**
- This charge is applicable only for redemption of mutual fund units in demat mode.
 - E-Wealth accounts opened prior to May 1, 2025, will not be subject to this charge.
 - These charges will be billed along with other DP charges being billed as per the current process.
 - GST will be applicable on the above charge.
- Kindly inform your clients accordingly while assisting with account opening and transaction-related queries.

IMPLEMENTATION OF REVISED FAMILY DECLARATION FORM FOR INDIVIDUAL, PARTNERSHIP FIRM & HUF ACCOUNTS.

(Mail dated – 19th April 2025)

- Pursuant to the SEBI Circular SEBI/HO/MIRSD/MIRSD-PoD1/P/CIR/2024/169 dated December 03, 2024, NJ has adopted the revised Family Declaration form provided by the client for using the same email ID and mobile number in the Trading and Demat account.
- Further, the revised family declaration form shall only be provided by Individual, HUF and Partnership Firm. **Corporate, Society, Trusts, LLP, AOP/BOI are required to provide the revised Board resolution. Please find the attached format for your ready reference:**
1. **Revised Family Declaration Form** (for Individual, HUF & Partnership firm)
 2. **Revised Board Resolution** (Corporate, Society, Trusts, LLP, AOP/BOI)
- In view of the above, the revised form will be adopted with immediate effect to ensure a smooth transition of account opening. Forms that are in transition mode will be accepted till 30th April 25.
- The revised Family Declaration form, along with the Account Opening form, has been made available on NJ Assist and Partner Desk.

NJ PMS - INTIMATION OF RE-BALANCING IN STIPULATED IAS

(Mail dated – 19th April 2025)

- Please note that the portfolio rebalancing activity for **NJ Multicap Portfolio - Equity Strategy** will be initiated from April 30, 2025 and **NJ Dynamic Stock Allocation Portfolio - Aggressive - Hybrid Strategy** will be initiated from May 02, 2025 onwards.

- ▶ **For New Investments (Fresh, Top-Ups, and Switch-Ins) in NJ Multicap Portfolio - Equity Strategy :**
 - Any investments received between April 21, 2025 (7 working days before the rebalancing start date) to May 5, 2025, will be kept on hold and invested in the new portfolio from **May 06, 2025**.
 - The investors are advised to plan their investments after May 05, 2025, for top-ups and May 08, 2025 for switch-ins to avoid unnecessary churn or Idle holding.
 - Alternatively, investors may consider investing in the **NJ Liquid Portfolio - Debt Strategy** before May 05, 2025, and then switch to the **NJ Multicap Portfolio - Equity Strategy** after May 08, 2025.
 - It will be an endeavor to invest fresh inflows ("**New Funds**" and "**Switch-In**" amounts) received near the rebalancing date in the new portfolio.
- ▶ **Kindly note that any request for withdrawal (including Switch-out) received :**
 - For NJ Multicap strategy - Equity Strategy during April 30, 2025, to May 08, 2025, shall be processed on May 09, 2025, i.e., once the rebalancing activity is completed.
 - For NJ Dynamic Stock Allocation Portfolio - Aggressive - Hybrid Strategy during May 02, 2025 to May 12, 2025 shall be processed on May 13, 2025 i.e. once the rebalancing activity is completed.
- ▶ Accordingly, the payout (including switch) will be processed within 5 business days from May 09, 2025 and May 13, 2025 respectively.
- ▶ **Update on NJ Freedom ETF Re-balancing:**
 - The current allocation of the NJ Freedom ETF remains well-aligned with the recommended strategy. Accordingly, the rebalancing activity scheduled on April 17, 2025 should be treated as completed and all the transactions in this portfolio will be processed in accordance with the defined timeline.
 - Please note NJ AMC will strive to execute the transactions sooner if the rebalancing process is completed ahead of schedule. Any future updates or changes related to rebalancing activities will be shared through **Notifications** section on NJ PMS "<https://njpms.in/>" website.
- ▶ Should you require further assistance, please contact NJ PMS customer care team at **0261-4102888/0261-6663355** or email at customercare@njpms.co.in

INVESTMENT FACILITY NOW ENABLED FOR U.S. & CANADA-BASED NRI CLIENTS IN MUTUAL FUNDS

(Mail dated – 24th April 2025)

- ▶ We are pleased to inform you that **investments in mutual funds have now been enabled for NRI clients based in the U.S. and Canada** across our **E-Wealth, E-Wealth MF, and Partner Trax** platforms, with broader AMC participation and improved digital convenience.
- ▶ **Background:**
 - Until now, **only a limited number of AMC schemes were available** on our E-Wealth platform for U.S. and Canada-based NRI clients. These select AMCs did **not require post-transaction physical documentation**, allowing limited online transactions.
 - However, **most other AMCs had compliance protocols** that mandated **physical submission of NRI-specific declarations** after transactions were executed. This created a barrier, effectively restricting online mutual fund investments for clients from the U.S. and Canada.
 - In response, NJ Wealth engaged with AMCs to simplify this process and **proposed electronic submission of declarations**. We are happy to report that **some AMCs have accepted this solution**, making mutual fund investments more accessible for U.S. and Canada-based NRIs, with a few conditions.
- ▶ **Key Highlights:**
- ▶ **1. Client Presence in India**
 - The NRI client must be physically present in India at the time of initiating the transaction.
 - If the client is detected outside India, the transaction will not be permitted.
- ▶ **2. Available Transaction Types**
 - Purchase
 - SIP (Systematic Investment Plan)

▶ 3. Declaration Requirements

- **AMC-Specific Declaration** (where applicable): Collected electronically at every Purchase and once during SIP registration.
- **NJ Distributor Declaration:** A standard declaration required across all transactions.
- Where AMC-specific declarations are not needed, only NJ's standard format must be submitted.

▶ Coming Soon

- **Switch and STP (Systematic Transfer Plan)** functionalities will be added shortly.
- A specially curated **NJ Recommended Portfolio for NRIs based in the U.S. and Canada**, thoughtfully designed by the **NJ Research Team** to provide investors with a ready-made, high-quality investment option — eliminating the need for individual scheme research.

▶ Currently Eligible AMCs

▶ In addition to previously available options, the following AMCs have now enabled online investments for U.S. and Canada-based NRIs:

- **Aditya Birla Mutual Fund**
- **Edelweiss Mutual Fund** (for U.S.-based NRIs only)
- **NJ Mutual Fund**
- **Nippon Mutual Fund**

▶ (Refer to Partner Desk >> Client Services >> CRM >> Resources >> Stock exchange >> Exchange related Notifications >> List of AMCs Countrywise - allowed/restricted for NRI Investors for the most up-to-date list of eligible AMCs.)

▶ Important Compliance Note

- Please ensure **no solicitation of mutual fund schemes** is made to clients currently located in the U.S. or Canada, in accordance with local jurisdictional regulatory guidelines.
- We encourage you to inform your NRI clients in the U.S. and Canada about this important enhancement and assist them in navigating the updated investment process smoothly and compliantly.

EXTENSION OF TIMELINE FOR NRI CLIENTS WITH 'REGISTERED' KYC STATUS TO INVEST IN NEW AMCS

(Mail dated – 26th April 2025)

- ▶ We wish to inform you that SEBI has extended the timeline for NRI clients whose KYC status is marked as 'Registered' to invest in new AMCs if the clients are investing in non-demat mode.
- ▶ Earlier, such investments were permitted only till April 30, 2025. However, this timeline has now been extended by SEBI till 30th April 2026.
- ▶ This extension allows additional time for NRI clients to complete their KYC validation process while continuing to invest across different AMCs.
- ▶ We request you to take note of this update and inform your clients accordingly. In case your clients are yet to get their KYC status validated, we recommend initiating the necessary steps at the earliest to ensure uninterrupted investments.

REGULATORY CHANGES ON ONLINE E-WEALTH ACCOUNT CLOSURE PROCESS

(Mail dated – 26th April 2025)

- ▶ As per recent regulatory guidelines, we have made changes to the process for submitting E-Wealth account closure requests.
- ▶ Clients were required to upload a specimen signature and complete e-sign to request account closure online.
- ▶ The requirement of uploading a specimen signature and e-sign has been removed. E-Wealth Clients can now submit an account closure request by completing 2-factor authentication while logging into their E-Wealth account. After logging in, they need to:

- a) Go to the My Profile section
- b) Select Account Closure Request to proceed

▶ **Please Note:**

- This facility is available only for single holding accounts.
- The demat account must have no holdings at the time of placing the closure request.
- For joint holding accounts, the closure request will continue to be accepted only through the physical mode.

TER CHANGE IMPACT **ON BROKERAGE**

(Mail dated – 30th April 2025)

- ▶ We would like to inform you that the Total Expense Ratio (TER) of the below-mentioned schemes has been reduced by more than 5 basis points. As per the policy, any TER reduction exceeding **5 bps** will have an impact on brokerage on an annual basis.
- ▶ Accordingly, effective **1st April 2025**, the existing brokerage rates on AUM mobilized **up to 31st March 2025** will be revised for all schemes listed in the attached document. This revised rate will be applicable to all assets procured **on or before 31st March 2025**.
- ▶ **Please note:**
 - The rate reduction will apply to all transactions processed on or after 1st April 2019.
 - Transactions processed up to 31st March 2019 will not be impacted by this TER change.
- ▶ For your reference, please find the list of impacted schemes [list](#).

IMPORTANT POINTS TO REMEMBER

TRANSMISSION PROCESS IN CASE OF MULTI HOLDERS IN DEMAT A/C

We would like to inform you about recent changes introduced by CDSL and NSDL regarding the transmission process for Demat accounts in the event of the demise of joint holders. These updates are applicable depending on the number of account holders and the order in which the joint holders have passed away.

Please refer to the summary table below for a clearer understanding of the updated process:

Sr. No.	Holders in Demat A/c	Scenario	Process
1	Two	Death of 1st Holder	Existing Transmission Process
2	Two	Death of 2nd Holder	Deletion Process for 2nd Holder
3	Three	Death of 1st Holder	Existing Transmission Process
4	Three	Death of 2nd Holder	Deletion of 2nd Holder; 3rd Holder to be registered as 2nd Holder
5	Three	Death of 3rd Holder	Deletion Process for 3rd Holder

Important Note:

- In the event of the death of the first holder—regardless of the number of joint holders—the existing transmission process will continue to apply.
- Please note that the process outlined in points 2, 4, and 5 will be accepted only if the holder deletion request is submitted within 365 days from the date of death of the second or third holder. If the request is received after 365 days, the standard transmission process must be followed.
- For your ready reference, the Holder Deletion Request form applicable to the above three scenarios is attached herewith. It is also available under **Partner Desk > Resources > Stock Exchange > DP Formats**.
- Alternatively, you may refer to **NJ Assist > Downloads > Stock Exchange > DP Formats > TRANSMISSION REQUEST for the Holder Deletion Form**.

For all other scenarios, the existing transmission form and process shall continue to apply.

For detailed information regarding the process, please refer to the NJ Assist.