



FEBRUARY 2024

# NEWS LETTER

From Customer Care Desk

February 2024 "NEWS LETTER" with the latest communication, updates and other important points.

## LATEST COMMUNICATIONS AND UPDATES



### ADDITIONAL REQUIREMENT FOR ACCOUNT CLOSURE OR TRANSMISSION REQUEST IN CASE OF DEATH OF ANY OF THE HOLDERS OF DEMAT ACCOUNT

(Mail dated – 2nd Feb 2024)

- ▶ In compliance with a recent SEBI Circular SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/0000000163 dated October 03, 2023, Depository Participants (DPs) are mandated to gather additional details, accompanied by documentary proof, when processing account closure or transmission requests following the death of any demat account holder. The improved process facilitates the identification of all investments and demat accounts associated with the deceased investor for claimants.
- ▶ **Additional details required are mentioned below:**
  - 1) The Notifier (i.e. surviving joint account holders, nominees, legal representatives, or family members of the deceased investor), should submit a duly signed Account Closure Request form along with the investor's death certificate and a copy of the deceased PAN card.
  - 2) Additionally, the notifier is also required to submit a "Notifier Details" form, along with a self-attested PAN copy of the notifier.

Note: If there are holdings in the Demat account of the deceased investor, the transmission procedure shall be followed as per existing practice along with new supporting documents.
- ▶ Furthermore, the KYC Registration Agency (KRA) will share daily updates with the DPs regarding the demise of any demat account holder if such information is reported through other DPs.
- ▶ Upon receiving this information, we will promptly inform the notifier, as recorded in our demat account, through email/SMS/letter, asking them to complete the necessary formalities for account closure and/or transmission. The same communication will also be sent to our esteemed partner via email.
- ▶ Please note that upon receiving this information from KRAs, the demat account of the client will be frozen for debit and the trading account will be deactivated until the necessary documents are submitted

### CANCELLATION OF UNUSED BANK MANDATES ON NJ E-WEALTH A/C

(Mail dated – 8th Feb 2024)

- ▶ This refers to the Bank Mandates registered with us of your NJ E-Wealth clients that have not been used for any type of collection since the last 2 years. After careful consideration, we have concluded to cancel all the bank mandates that have not been used for any collection activity in the last 2 years.

## DEACTIVATION OF NJ E-WEALTH/E-WEALTH MF ACCOUNT DUE TO TECHNICAL ISSUE

(Mail dated – 8th Feb 2024)

**NOTE: This email is sent to the impacted Partners only.**

- ▶ This refers to the recent technical glitch that occurred in our NJ E-Wealth / E-Wealth MF.
- ▶ Account opening system due to which in case your clients were KYC Non Compliant, the accounts got opened without PDF of KYC form.
- ▶ We will have to temporarily deactivate all such impacted accounts due to the said technical glitch. The accounts will be re-activated as soon as we receive the duly filled and signed KYC form along with the supporting documents and the same are validated by the KRA.
- ▶ For your ready reference the list of such NJ E-Wealth / E-Wealth MF accounts was shared on your registered e-mail for which we seek your kind support in submitting the KYC form with the documents at our nearest branch.
- ▶ Our sincere apologies for the inconvenience caused to you and your customers.

## REGARDING CANCELLATION OF UNUSED MANDATES

(Mail dated – 9th Feb 2024)

- ▶ With respect to our Email dated 8th February 2024 with the above subject, we are reviewing the process of cancellation as well as assessing all the aspects & its impacts.
- ▶ We will communicate you with the revised logics in due course. Till the time there won't be any cancellation of the unused bank mandates.

## ENHANCEMENT IN PMS ONLINE ONBOARDING PROCESS AND UPDATE ON FEES COLLECTION FOR NDPMS INVESTORS.

(Mail dated – 15th Feb 2024)

- ▶ Please note an important update regarding the submission of onboarding requests with payment details, effective from Feb 20, 2024.
- ▶ In our continuous effort to enhance our services and streamline the transaction experience for investors, we are implementing a new process that requires investors to complete payment and furnish payment details at the time of submitting onboarding requests
- ▶ **Please note the below mentioned actionable at various payment mode level:**

| Payment Mode        | Payment by Investor  | Payment Details Capturing   |
|---------------------|--|---|
| RTGS                | Virtual Bank details (VBAN) will be communicated via email to investor and partner after completion of E- wealth account opening form.   | Investors are required to complete payment on or before submission of the PMS account opening form and provide RTGS reference number as part of PMS account opening activity. |
| Cheque              | A pre-filled cheque deposit slip can be generated at the time of PMS account opening and the same will also be emailed to investor and partner. The cheque along with deposit slip needs to be submitted to the nearest NJ Branch or HDFC bank branch within T+1 business day from the date on which approval is received. | As part of the PMS account opening form, Investor is requested to provide a copy of the cheque submitted for payment or deposit slip along with the cheque copy.              |
| Securities Transfer | Online onboarding : The securities are to be transferred on or after 2 working days from the date of the approval email.<br>Physical Onboarding for Non Individual and NRI : The securities are to be transferred on or after 1 working day from the date of receiving the email instruction to transfer securities.       | Investors are requested to submit the security transfer details as part of onboarding   |

► **Please note the below important points to avoid any rejections:**

- Investors are requested to provide complete and accurate payment details at the time of account opening.
- When submitting the FATCA information, investors with tax residency other than India will need to upload Tax Identification Proof from their respective country.
- We urge you to use the prefilled Fees and Charges and Acknowledgement for Disclosure document available to download in the investor's account opening link, this will help to avoid manual form filling and reduce data entry errors.
- It is important to verify the handwritten clause is properly filled in the fees and charges (Schedule C) page. Investor's to ensure that signature should match in the specimen signature, fees and charges page and PMS disclosure acknowledgement receipt.
- Investors to ensure that the investment approach, investment amount and payment mode are mentioned correctly in the PMS account opening application before completing the E-sign process. Once the E-sign is completed and application is approved, the details mentioned in the application will be considered as final for account opening and investment purposes which can not be altered later.
- Fees and Charges (Schedule C) page should be uploaded of respective reference number while submitting online onboarding request.
- PMS disclosure acknowledgment receipt : Date, Investor name should be filled and tick mark should be done on both available check boxes.
- Investors are requested to use the same pen(ink) for form filling and signatures across the documents.

► **Non-Discretionary PMS investors update:**

- NDPMS fees will be calculated monthly and fee collection email will be sent on a quarterly basis.
- Default option of fees collection is selling of security in the investor NDPMS account. The selection of security for selling will be on the highest value wise in the portfolio.
- Investors who wish to opt for cash payment of fees and discontinue the security selling option for fee payment are requested to communicate this preference one time via email on or before 20th of the last month of the quarter.
- The request should originate from the investor's registered email address bearing the subject line "Request to change the Fees payment option for NDPMS," and include the PMS account number and the preferred payment method. This communication should be directed to NJPMS customer care at [customercare@njpms.co.in](mailto:customercare@njpms.co.in).

## SEPARATE WEB LOGIN TO NJ E-WEALTH CAPITAL MARKET TRANSACTION PLATFORM

(Mail dated – 16th Feb 2024)

- We are pleased to inform you that now NJ E-Wealth Capital Market can be directly accessed from NJ Wealth website under the login tab. (Click on "NJ E-Wealth CM"). NJ E-Wealth login details to be entered to access NJ E-Wealth CM.
- Clients can continue to access the capital market through E-Wealth accounts as per the existing practice. All other services and features remain the same.
- We believe that the new initiative would be warmly welcomed and request you to communicate to clients accordingly.

## NJ PMS: PMS DESK ACCESS FOR DEACTIVATED INVESTORS

(Mail dated – 17th Feb 2024)

- We're happy to announce an enhancement to our services based on your valuable feedback and our commitment to meeting your evolving needs. We are extending PMS Desk access to investors who have closed their NJ PMS accounts with us.
- Further, similar to the active PMS accounts, the PMS Desk for closed accounts will also be accessible from the partner desk. Path : Partner desk > Client Services > Client Servicing > View Client Investments > NJ PMS Desk
- This facility will assist investors who have closed their PMS account with us to access available reports on the PMS desk.

## ACTION REQUIRED ON PAYTM BANK ACCOUNT REGISTERED UNDER CLIENT'S NJ E-WEALTH/E-MF ACCOUNT

(Mail dated – 17th Feb 2024)

- ▶ Your attention is drawn to the recent RBI Press release dated February 16, 2024 regarding action against Paytm Payments Bank Ltd under Section 35A of the Banking Regulation Act, 1949.
- ▶ In accordance with the RBI's directions, we would not be able to deposit any redemption amount/corporate action to Paytm bank account registered in the client's NJ E-wealth/E-MF Account.  
In view of the above, it is found that some of the clients under your partner code have registered Paytm Payments Bank Ltd as their bank account under their NJ E-wealth/E-MF Account.
- ▶ Therefore, in order to experience seamless transactions in a client's NJ E-wealth/E-MF Account, you are requested to assist the attached list of clients registered under your partner code to update their existing bank account details on or before 15th March, 2024.
- ▶ **Client shall follow the mentioned steps to update the Bank account details:**
  - Client shall update the new bank account details from NJ E-Wealth Desk > My Profile > Bank & Mandate > Add Bank.  
**Note:** Once a bank account is added successfully, the client is required to go to the same path and mark the newly added bank as "Mark as Default Bank" (eSign of all applicable holders will be required).
  - In case, client is not able to login or update Bank details from your NJ E-Wealth Desk, client shall submit the duly filled and signed 'Account Modification Form' along with bank proof at the nearest NJ branch.
- ▶ A separate email communication was also sent to the clients regarding the same matter. You are requested to advise the clients accordingly in order to enjoy uninterrupted services.

## REMINDER : NJ PMS:UPDATION OF OFFICIALLY VALID DOCUMENT (OVD) AS ADDRESS PROOF AND VALIDATION OF EMAIL AND MOBILE WITH KYC RECORDS

(Mail dated – 20th Feb 2024)

- ▶ In accordance with the SEBI Circular No. SEBI/HO/MIRSD/SECFATF/P/CIR/2023/169 dated October 12, 2023, the existing KYC records held with KRAs (KYC Registration Agency) need to be validated based on the criteria laid down by SEBI which includes updation of officially valid document (OVD) as address proof.
- ▶ In adherence to this circular, all existing investors whose KYC was registered without an OVD as address proof are mandatorily required to submit a duly filled and signed KYC Modification Form, incorporating the officially valid document (OVD) for address verification. The proof of address currently on record with KRA can be verified by accessing the "KYC Inquiry" section of CVL KRA.
- ▶ For KYC updation, the following documents shall be accepted as 'officially valid document' (OVD) for address proof.
  - The passport;
  - The driving license;
  - The proof of possession of Aadhaar;
  - The voter's identity card issued by Election Commission of India;
  - The job card issued by NREGA duly signed by an officer of the State Government;
  - The letter issued by the National Population Register containing details of name, address; or
  - Any other document as notified by the Central Government in consultation with the Regulator.
- ▶ We urge you to approach your investors to assist them in completing the process latest by March 31, 2024.
- ▶ Further, we kindly request your attention to the email sent on December 01, 2023 regarding the validation of email address and mobile number with KYC records, and encourage you to promptly complete the necessary actions.
- ▶ Failure to comply with these regulatory requirements may lead to freezing of demat accounts / deactivation of PMS accounts.
- ▶ Please note that we will be sending an email to relevant PMS investors.

## NJ PMS - MANDATORY VALIDATION OF EMAIL AND MOBILE FOR INVESTOR'S KYC (FOR OVDS OTHER THAN AADHAAR) BY MARCH 31, 2024

(Mail dated – 20th Feb 2024)

- ▶ We would like to remind you of the critical regulatory update regarding the validation of email IDs and mobile numbers in Aadhaar-based Officially Valid Document (OVD) cases. As per the SEBI Circular SEBI/HO/MIRSD/FATF/P/CIR/2023/0144 dated August 11, 2023, it is now mandatory for all KRAs (Know Your Customer Registration Agencies) to validate the email IDs and mobile numbers of individual investors. This requirement applies to all cases, including those where the OVD is not limited to Aadhaar.
- ▶ In accordance with the SEBI circular, KRAs have initiated the process of sending emails and messages to the registered email IDs and mobile numbers of investors as available in the KYC records. In cases where these communications bounce back or fail to be delivered successfully, the KYC records will be placed 'ON HOLD' w.e.f. April 01, 2024.
- ▶ **For KYC validation, please follow the steps enumerated below:**
  - I) Visit the respective KRA website links given below:
    - CVL: [https://validate.cvlindia.com/CVLKRAVerification\\_V1/](https://validate.cvlindia.com/CVLKRAVerification_V1/)
    - NDML: <https://kra.ndml.in/ClientInitiatedKYC-webApp/#/ClientinitiatedKYC>
    - KARVY: [https://karvykra.com/KYC\\_Validation/Default.aspx](https://karvykra.com/KYC_Validation/Default.aspx)
    - DOTEX : <https://m.njw.bz/t/ak4foswsd00>
    - CAMS: <https://camskra.com/PanDetailsUpdate.aspx>
  - II) If you are uncertain about the KRA where your PAN is registered, please go to the “KYC Inquiry” section of CVL KRA.
  - II) Provide the requested details as per the respective KRA requirements, and verify the email id and mobile number by entering the OTP received on both the email and mobile number. It will take 48 hours to update the status by the KRAs.
- ▶ If there is any change in the investors email id and/or mobile number, the same is required to be updated by submitting the email id and/or mobile number modification request along with a duly filled and signed KYC Modification Form.
- ▶ We urge you to contact your investors to assist them in completing the process latest by March 15, 2024. Failure to comply with these regulatory requirements will lead to the accounts being invalid and will result in freezing of demat accounts / deactivation of PMS accounts by March 31, 2024.

## NON-FUNCTIONING OF NJ HEAD OFFICE ON MARCH 02, 2024

(Mail dated – 29th Feb 2024)

- ▶ This is to inform you that the NJ Head Office, including Customer Care, will be non-functional on March 02, 2024 due to an event at the Head Office.
- ▶ Kindly note that due to a Special Live trading session on 2nd March, 2024, Call & Transact line will be available from 9:00 am to 1:00 pm. Communication for the same will be shared shortly.
- ▶ However, our services will resume as per routine from March 04, 2024, i.e., Monday.

# IMPORTANT POINTS TO REMEMBER

## NON AADHAAR KYC VALIDATION OF E-WEALTH ACCOUNT

- ▶ With reference to SEBI guidelines, the existing KYC records (OVDs other than Aadhaar) held with KRAs (KYC Registration Agency) need to be validated which includes email and mobile validation.
- ▶ • For the validation of the same the KRAs have already tried to validate email and mobile registered with KYC records but the same could not get validated. The list of such clients is made available on Partner Desk >> Home > Investments > Mutual Funds > Client Compliance Detail Report>>Verify KYC.
- ▶ **The clients are required to do the following as per applicable given below :**
  - If email and/or mobile (as per E-Wealth / E-Wealth MF Account) is the same which is registered with KYC records, then KRAs have already provided a facility wherein the client can directly visit the KRA portal to enable validation of their KYC records using below link as per applicable KRA.  
**CVL KRA :** [https://validate.cvlindia.com/CVLKRAVerification\\_V1/](https://validate.cvlindia.com/CVLKRAVerification_V1/)  
**NDML KRA :** <https://kra.ndml.in/ClientInitiatedKYC-webApp/#/ClientinitiatedKYC>
  - If there is any change in their email id and/or mobile number, then clients are required to submit an email and/or mobile number modification request along with duly filled and signed "Attached Form". In addition to it modification request can be processed online by path from EWA/EMF login i.e. **Login EWA/EMF Account web>>Home page>>Left Hand side>>Drop down menu>> My profile>>Modify.**
  - **Important Note:**  
The documents that are considered as OVDs mentioned herein for ready reference-

|                    |  |
|--------------------|--|
| OVD Documents list | Passport   |
|                    | Driving License                                      |
|                    | Aadhar Card  |
|                    | Voter's Identity Card                                |
|                    | Job card issued by NREGA                             |
|                    | Letter issued by National Population Register        |
|                    | Any other document as notified by Central Government |

For detailed information about the process, Please refer to NJ Assist.