



JUNE 2023

NEWS LETTER

From Customer Care Desk

June 2023 "NEWS LETTER" with the latest communication, updates and other important points.

LATEST COMMUNICATIONS AND UPDATES



NJ PMS - INTIMATION OF RE-BALANCING IN VARIOUS IAS:

(Mail dated – 02nd June 2023)

- ▶ As part of our Rule-Based fund management process, the portfolio rebalancing activity for the below Investment Approaches (IAs) will be initiated from June 30, 2023:
 - Bluechip Portfolio - Equity Strategy
 - Dynamic Stock Allocation Portfolio - Aggressive - Hybrid Strategy
 - Dynamic ETF Allocation Portfolio - Aggressive - Hybrid Strategy

- ▶ You are requested to note the following important points:
 - Any investment received before the rebalancing start date will be first invested in the existing portfolio and then be rebalanced starting June 30, 2023. This has the potential to increase churn and transaction costs.
 - Investors may plan their fresh investments (including Top-up and Switches) into these IAs after June 30, 2023 to avoid this churn. Investors may consider investing in the Liquid Portfolio IA prior to June 30, 2023 and switch-in to above mentioned IAs after June 30, 2023.

- ▶ You are also requested to note that any withdrawal (including Switch-out) request received in the above mentioned IAs from June 30, 2023 to July 6, 2023, shall be processed by July 7, 2023 i.e. once the rebalancing activity is completed. Accordingly, the payout (including switch) will be processed within 5 business days from July 7, 2023.
- ▶ Please note a separate communication will be sent to all PMS investors.

IMPACT ON SIP OF MINORS THROUGH DONOR'S BANK ACCOUNT:

(Mail dated – 03rd June 2023)

- ▶ Pursuant to SEBI Circular SEBI/HO/IMD/POD-II/CIR/P/2023/0069 dated May 12, 2023 the following modification shall be carried out in the process applicable for investments made in the name of minor through a guardian effective from June 15, 2023:
 - Payment for Minor's investment shall be accepted from the bank account of the minor, parent or legal guardian of the minor, or from a joint account of the minor with parent or legal guardian.
 - Redemption proceeds shall be credited only to the bank account of the minor, i.e. either the bank account in the name of the minor or the bank account of the minor with the parent/ legal guardian.
- ▶ Impact and actionables of the above, as mentioned below:
 - Existing systematic transactions under the scheme(s) in the name of minors being received from the bank account (single or joint) of a person other than minor, parent or legal guardian (i.e. Donor) shall be discontinued with effect from 15th June 2023. Data of the impacted clients will be shared shortly.
 - Investors can re-register the SIPs by submitting the fresh mandate with the bank account of the minor, parent or legal guardian of the minor, or from a joint account of the minor with parent or legal guardian.
 - For existing folios where the bank account of the Parents or Guardians are updated (i.e without minor's bank details), investors are requested to submit a change of Pay-out Bank form with the required documents before submission of redemption request.
- ▶ Please note that there will be no impact on the SIPs registered through E-Wealth account.

NJ PMS - CLARIFICATION IN RE-BALANCING ACTIVITY:

(Mail dated – 09th June 2023)

- ▶ This is with reference to our recent communication dated June 2, 2023 regarding the proposed rebalancing in
 1. Bluechip Portfolio - Equity Strategy ("Bluechip") Investment Approach ("IA"),
 2. Dynamic Stock Allocation Portfolio - Aggressive - Hybrid Strategy ("DSAP-A") IA and
 3. Dynamic ETF Allocation Portfolio - Aggressive - Hybrid Strategy ("DEAP-A") IA from June 30, 2023.
- ▶ After further analysis, and to minimize portfolio churn, we will not be rebalancing Bluechip and the equity portion of DSAP-A. The next rebalancing for these IAs shall be in October 2023 and in the month of October every year thereafter.
- ▶ It may be noted that the asset allocation of DSAP-A and DEAP-A will continue to be rebalanced every quarter.
- ▶ Based on the above update, investors may be advised to resume their investments in Bluechip. They may also be advised to allow the asset allocation rebalancing in DSAP-A and DEAP-A to be completed before making fresh investments in these IAs.
- ▶ Look forward to your continued patronage and support.

IMPLICATIONS OF NISM XXI A CERTIFICATION NON COMPLIANCE:

(Mail dated – 10th June 2023)

- ▶ In continuation to our earlier email communications of PMS certification , we urge you to kindly complete and submit your NISM XXI-A examination certificate before 06th Sept 2023. Non compliant to this will impact as mentioned below:
 - PMS brokerage will be kept on hold till the time the certificate is provided to us.
 - No PMS business will be allowed under your code.
- ▶ Kindly refer to the attached [FAQ](#) to get more clarification about clearing the examination.
- ▶ We hereby request you to take a note of the same and clear the examination to avoid uninterrupted services.

TER CHANGE IMPACT IN BROKERAGE:

(Mail dated – 12th June 2023)

- ▶ This is to inform you that TER of below mentioned schemes have been reduced by more than 10 bps.
- ▶ As the reduction in TER is more than 10 bps TER cut impact will be given in the immediate succeeding month. So W.E.F 1st June 2023, existing rates on AUM mobilized upto 31st May 2023 will be reduced as per below table.

Portfolio Scheme Name	Base TER#	Base Month TER	May'23 TER	Difference	Deduction impact in Payable
Kotak Infrastructure and Economic Reform Fund	Sep'22	2.25	2.15	-0.10	-0.050

#Base month = TER Comparison month(last TER cut impact given month)

NJ EWA UPDATE : 'STOCKS' REPORTS ADDED INTO CONSOLIDATED TAX STATEMENTS MAIL BACK FACILITY:

(Mail dated – 13th June 2023)

- ▶ We are glad to inform you that we have added a new product: Stocks into the Consolidated Tax Statement-Mail Back facility on the EW Web and Mobile. With this addition, now you and your clients can get the details of stocks along with mutual fund reports in one go for your ITR preparation and other requirements. Find below more details on it.
- ▶ Key Points:
 1. The following reports will be available for the product: stocks
 - A summarized view that gives a snapshot of key data points
 - Realized capital gain/loss for the FY
 - Scrip-wise holdings as on the start and end of the FY.
 - Buy-and-sell transactions executed during the FY
 - Gross dividend payout during the FY
 2. Accessibility of the stock reports to partners will be as per the partner's capital market status, viz., authorized person, referral, or none. Investors will always be able to get stock reports.
 3. This feature is also made available on Buddy on Partner Desk & Investor's WhatsApp handle.
- ▶ Find below the Path to access this report on EW (Web):
E-Wealth (Web) > Reports > Consolidated Report > Get Tax Statements (Mail Back)
- ▶ Kindly take note of this development and keep sharing your valuable suggestions and feedback.

CHANGE IN E-WEALTH TRANSMISSION REQUEST FORM:

(Mail dated – 15th June 2023)

- ▶ As per SEBI Circular No. [SEBI/HO/MIRSD_RTAMB/CIR/2022/65](#) dated May 18,2022, regarding the simplification of the procedure and standardization of formats of documents for transmission of securities, we would like to inform you that there are some changes in the E-Wealth transmission request form.
- ▶ E-Wealth Transmission forms along with the details and documents required are made available on **NJ Assist > NJ E-Wealth > E-Wealth Transmission**.
- ▶ We urge you to use the new forms for transmission requests, as the old forms **shall not be accepted** w.e.f. **26th June 2023**.

NJ PMS - INTRODUCING DIGITAL POWER OF ATTORNEY IN ONLINE ONBOARDING:

(Mail dated – 19th June 2023)

- ▶ We would like to express our gratitude for the overwhelming response by all our Partners in encouraging the Digital transaction facilities amongst the NJ PMS investor community.
- ▶ As per our current process of online onboarding for resident individuals, investors are required to upload scanned copies of duly filled and signed Power of Attorney (POA) and share the original hard copies before transferring funds to open the PMS account.
- ▶ In our continuous endeavor towards "GO DIGITAL" and eliminating the effort involved in managing physical paperwork, we are happy to announce the launch of "Digital Power of Attorney" as part of our online account opening facility. With this facility, investors will use the E-sign process to sign the POA digitally. To ensure elimination of paperwork and logistical delays we will discontinue the existing physical signature process.
- ▶ Please note that **the Fees and Charges and Acknowledgement of receipt of Disclosure document submission process remains unchanged**. The same will be required to be uploaded as part of the online application process and also the physical hard copies will be required to be submitted.
- ▶ **You are requested to note the following important points and plan your NJ PMS Account registration activities accordingly:**
 - The above mentioned system change will go live from July 1, 2023.
 - **NJ PMS Account opening utility will not be available from June 29, 2023 to June 30, 2023 for any fresh account opening entries.**
 - The submitted requests till June 28, 2023 will be considered for further approval and either be HO Approved or HO rejected.
 - All the incomplete requests with "Document Awaited" or "Not Approved" status will be rejected by June 30,2023.
- ▶ We request you to take a note of this change and plan your onboarding activities accordingly.

IMPORTANT COMMUNICATION REGARDING KYC VALIDATION OF EXISTING INVESTORS FOR PHYSICAL FOLIOS:

(Mail dated – 26th June 2023)

- ▶ With reference to SEBI Circular no. SEBI/HO/MIRSD/DoP/P/CIR/2022/46 dated April 6,2022, the existing KYC records held with KRAs (KYC Registration Agency) need to be validated based on the criteria laid down by SEBI which includes email and mobile validation.
- ▶ In continuation to above, the KRAs have already tried to validate email and mobile registered with KYC records but the same could not get validated. We would like to inform you that the data of PAN having investment in physical folios where KYC VALIDATION NOT COMPLETED is available on partner desk and client desk from the appended link.
- ▶ **Partner Desk > Investments > Mutual Funds > Business Insight > Compliance Client Detail Report >> KYC Validate pending data**
- ▶ **Client Desk >> Mutual fund >> Other Reports >> Compliance Client Detail Report >> KYC Validate pending data.**
- ▶ The clients are required to do the following as per applicable given below :

If the client's email and/or mobile number is the valid one 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
[Click Here](#)

NDML KRA
[Click Here](#)

KARVY KRA
[Click Here](#)

CAMS KRA
[Click Here](#)

- ▶ If there is any change in their email id and/or mobile number, then clients are required to submit email and/or mobile number modification request along with duly filled and signed "KYC Modification Form" of respective KRA.
- ▶ If KYC records are not validated till 18th Aug 2023 then the impacted folios will be frozen for credit & debit. Also, the existing guidelines for the non-kyc clients will be applicable on such folios.
- ▶ So, we request you to approach your clients to validate their email & mobile number before the given timeline to avoid any disruption in services.

NJ PARTNER DESK UPDATE STOPPING NEW FAMILY NEED CREATION FROM NJ PARTNER DESK (W.E.F. 15TH JULY 2023):

(Mail dated – 27th June 2023)

- ▶ It always remains our endeavour to empower you with new, innovative tools and utilities to strengthen your business. With this, we recently launched the new avatar of the Family Needs utility on the NJ E-Wealth Account. The new Family Needs modules on EWA is an upgrade with the following updates:
- Access to EWA investors for creation /edit and managing Needs. Access to Partners is from within the EWA desk with default consent for access.
- Better UI/UX with ease of use, more insights & improved functionalities. Assumptions are now visible to investors.
- Scheme level percentage allocation to multiple Family Needs
- Consideration of Top-Up SIPs in calculations and dynamic returns suggestion as per investment horizon.
- We are thankful for the positive and encouraging response from both our Partners and Investors received so far.

- ▶ As we are aware, today a new Family Need can be created in both the new EWA desk and from the old Partner Desk module with its visibility on the Client Desk. We had earlier communicated that this overlapping and duplicate Family Needs creation was not ideal and that it will be discontinued once Partners & investors get familiarised with the new Family Needs. Subsequently, we also launched the detailed EWA Family Needs Report on the Partner Desk to enable Partners to track and monitor the new EWA Family Needs. We have also launched the new version of EWA Mapping modules to enable the family-level consolidated portfolio viewing feature as is available with the Client Desk.
- ▶ **As the next logical step, we hereby announce the stoppage of new Family Need creation in the old modules from the Partner Desk. w.e.f. 15th July 2023.** Effective from this date, only the 'new creation' of Family Need will be discontinued from the old Family Needs modules. The rest of the features of the modules and reports will continue to function as it is. There is no change planned for the Client Desk.
- ▶ We would like to see the Partner make full use of the new Family Needs modules on the EWA along with the other new developments in recent times. If you are interested in learning more about these features, please refer to the respective Digitalk sessions uploaded on the Partner Desk.

UPDATE ON CAPITAL MARKET BROKERAGE PAYMENT:

(Mail dated – 29th June 2023)

- ▶ This is to inform you that we are upgrading our Capital Market brokerage payment system. Hence brokerage payments will be processed as per below table .

Segment	Brokerage Payment to	Brokerage Period	Brokerage Processing Month
Capital Market	Authorized Person (AP), Referral & Agency Manager (AM)	May to June 2023	July 2023
		July to Sept 2023	Oct 2023

- ▶ Capital Market Brokerage frequency from October 2023 onwards will be communicated separately.
- ▶ Kindly take note of the same and regret the inconvenience caused to you.

IMPORTANT POINTS TO REMEMBER

IMPORTANT REPORTS & UTILITIES AVAILABLE ON PARTNER DESK

- ▶ In order to serve the clients in a more efficient way, many reports & utilities are already available on the Partner Desk. With the use of the same, you can provide the services to the clients.
- ▶ **Some of the utilities & reports as mentioned below are readily available on Partner Desk which can be helpful in your day to day operational activities.**

Sr. No.	Nature and Path of Utility / Report on Partner Desk	Remarks
1	Mandate & Segment Status Summary Path: PD > Stock Exchange > Transaction > Mandate & Segment Status Summary	<p>Partners can check client's consolidated status of Mandate, Capital Market (CM) & Account status in a single report. The data will be available for download within 6 hours from the report generation time.</p> <p>Below information will be available in the report: UCC & Client Name, Account Type, MF & Other Mandate, CM Opted, CM Segment Status, Reason if CM is Inactive, NJ EWA Status and Reason if NJ EWA is Deactive.</p>
2	E-Wealth SIP registration STATUS Path: PD > Stock Exchange > Transactions > SIP Status Report	<p>NJ EWA SIP registration status can be checked where below details are found: UCC, Bank Details, SIP Submission Date, Scheme, SIP Start Date, End Date, No. of Installments, Frequency, SIP Amount, SIP Status, SIP Cancellation Date and Reason.</p> <p>SIP Registration TAT is T+3 working days.</p>
3	E-Wealth Account opening STATUS Path: PD > Stock Exchange > E-Wealth Reg. Status & DESTAT > E-Wealth Reg. Status Report	<p>NJ E-Wealth account opening status can be checked from the below path:</p> <ul style="list-style-type: none"> • Application status as Document Awaited or Document Received, Not Approved, E-Stamping Done, Active, Rejected, etc. will be reflected. • Submission Date • Investor Name • Reason in case of Not Approval or Rejection
4	Exchange Transaction status required STATUS Path: PD > Stock Exchange > Transactions > Stock Exchange Transaction Report - Mutual Fund	<p>Exchange transaction status can be checked where below details are found:</p> <p>NJ Trxn Id, Trxn Date, Investor Name, UCC, Investment Amount, Trxn Status, Rejection Reason, Payment Mode, Scheme Name, etc.</p> <p>If more details are required, can be added from "Columns" option.</p>

For Detailed information, Please refer the NJ Assist.