



MARCH 2021

NEWS LETTER

From Customer Care Desk

March 2021 "NEWS LETTER" with the latest communication, updates and other important points.

LATEST COMMUNICATIONS AND UPDATES



SEBI CIRCULAR FOR PMS COMPLIANCE

(Mail dated – 11th Mar 2021.)

Note: This communication is sent to PMS specific partners only.

- ▶ This refers to the new SEBI circular no. SEBI/HO/IMD/DF1/CIR/P/2020/26 dated February 13, 2020, wherein all distributors who are involved in PMS distribution should abide by the said regulations. SEBI have also introduced two compliance to be followed for PMS distribution as appended below:
 - All PMS distributors must have all time a valid AMFI Registration Number (ARN) for distribution of PMS
 - All PMS distributors must submit an annual Declaration of Self Certificate (DSC) for PMS distribution within 15 days from the end of every financial year. i.e by 15th April every year.
- ▶ In case if there is any non compliance as mentioned above, its effect on business mobilisation as well as brokerage would be the same as applicable in Mutual Fund distribution.
- ▶ We shall be enabling the PMS DSC submission utility on the partner desk by the end of March 2021 which is in the same line with DSC submission for Mutual Fund distribution. We will communicate separately when the utility is live on the partner desk.

GOOD NEWS - RESUMPTION OF NJ CUSTOMER CARE NUMBER & IVR BASED AUTOMATED SERVICES

(Mail dated – 12nd Mar 2021.)

- ▶ With the start of the Biggest COVID-19 Vaccination program in the Country to the Financial Markets reaching a new Peak, 2021 has certainly brought us some good news.
- ▶ We are glad to inform you that we are resuming our NJ Customer Care normal Number **0261-4025000 w.e.f 18th March, 2021**. However, Once the Normal number starts we shall be discontinuing our currently working customer care number (i.e 01414941762) as well as the toll free number 18001020155. Meaning by, effective **18th March 2021** Customer Care number can be contacted at **0261-4025000 only**.
- ▶ The Customer Care Number shall give access to IVR based Instant & Automated Services also which can be accessed 24*7. Kindly check email to refer the help file for Instant Services available at your fingertip through IVRS.
- ▶ We request you to kindly take note of the above and connect only through the aforesaid Number.

IMPORTANT COMMUNICATION - IMPACT ON NJ E-WEALTH TRANSACTION(S) DUE TO PUBLIC SECTOR BANKS STRIKE

(Mail dated – 16th Mar 2021)

- ▶ Please note that based on Exchange notice and the news from media sources, it is understood that The United Forum of Bank unions (UFBU - an umbrella body of nine bank unions) has called two-day strike starting from March 15, 2021.
- ▶ Due to aforesaid reason, the banking services for various Public Sector Banks (PSBs) across the country are likely to get affected. **In view of the above, the transactions submitted with payment modes ie. ACH/ECS etc. of various PSBs available on the NJ E-Wealth platform may get impacted.**
- ▶ Please also note that transactions may be liable for rejection due to delayed / non-receipt of funds within the stipulated timelines.

TEMPORARY STOPPAGE OF CERTAIN FACILITIES

(Mail dated – 12th Mar 2021.)

- ▶ We are glad to see that NJPMS As a service is being used efficiently to provide bespoke investment solutions to investors. It has always been our constant endeavour to provide state of the art solutions for investments powered by robust technology.
- ▶ Last year we had launched a few facilities which were being managed manually. We are now in the process of automating these facilities for the best benefit of the business and the investors.
- ▶ **Until the automation of these facilities are completed, we intend to put the following facilities temporarily on hold.**
 1. Acceptance of SIP/STP transactions.
 2. Acceptance of NRI applications less than 2 Cr.
- ▶ SIP/STP can however be done by means of On-line top up facility that has been provided to existing investors.
- ▶ We assure you that this is just a temporary stoppage, the automation of this is underway and we would be able to bring back these facilities very soon.
- ▶ These facilities will go on hold WEF 20th Mar'21 until further notice. Thank you for your support and seek your cooperation as this temporary withdrawal is for a larger good.

DETAILS OF UDHYAM REGISTRATION (MSME)

(Mail dated – 22nd Mar 2021)

- ▶ As per latest notification of MCA, all existing enterprises registered under EM-Part-II or Udyog Aadhar as per the provisions of the Act, need to get themselves registered again on the Udyam Registration Portal. Please note that the existing Udyog Aadhar for MSME registration, shall continue to be valid only for a period up to 31st March, 2021.
- ▶ Kindly check refer to check the document for a better understanding.
- ▶ In case you are MSME registered, kindly share with us your UDHYAM CERTIFICATE, on msme@njgroup.in. Till the time we don't receive Udyam Certificate from your end, it will be assumed that you are not registered under MSME and you don't possess any such Certificate.
- ▶ In case of any query, request you to please write an email to shivangi.desai@njgroup.in.

IMPORTANT COMMUNICATION LAST DAY FOR ELSS SCHEME TRANSACTION

(Mail dated – 24th Mar 2021.)

- ▶ **This is to inform you that last business day of this Financial year will be March 31, 2021 (Wednesday) for submit the transactions in ELSS scheme.**
- ▶ For your convenience, we have prepared attached applicable cut off matrix as per various transaction/payment mode. Kindly check email to refer the cut off matrix.

INFORMATION RELATED TO STOCK DRF PROCESSING

(Mail dated – 24th Mar 2021.)

- ▶ As per the circular issued by the SEBI with reference no. **SEBI/HO/MIRSD/RTAMB/CIR/P/2019/122** regarding Enhanced Due Diligence for Dematerialization of Physical Securities, it is mandatory that the Distinctive Numbers given on the share certificate should be correctly updated in the depository system.
- ▶ In lines with the above circular, **it is important that in order to process the Stock Dematerialization request, the Distinctive number given on the share certificate should be correctly updated in the database of the Depository System** and in case if there is any mismatch then as a Depository Participant, we will not be able to generate the Demat Request Number in the Depository system.
- ▶ To verify the details of the Distinctive Number in the Depository database, investors are kindly requested to visit below link where they have to enter the ISIN and the Distinctive number (DNR) details given on their share certificate. Link: <https://www.cdslindia.com/RTA/SearchDNR.aspx>
- ▶ Furthermore, **if the Distinctive Numbers is not updated in depository system then the investor are requested to get in touch with the respective Registrar and Transfer Agent (RTA) to update correct details in the Depository system** and once the details are correctly updated, the stock Dematerialization application can be submitted to the branch. Customers can get the details of Registrar and Transfer Agent (RTA) from the respective company website whose shares certificates are to be dematerialize.
- ▶ Request you to please take a note for the same and in case you need any further assistance please feel free to contact NJ customer care.

NJ CLIENT DESK UPDATE: IMPROVEMENTS IN MUTUAL FUND CUSTOMIZED PROFIT & LOSS REPORT

(Mail dated – 24th Mar 2021)

- ▶ We are glad to inform you that, based on suggestions posted by you, we have taken certain changes in the Mutual Fund Customised Profit & Loss report on the Client Desk (Web) and Mobile.
- ▶ **To make Capital Gain Tax Filing-related requirement easy for our clients**, these changes have been incorporated. Find below the list of changes implemented.

Changes:

- Now the report will be displayed in two sections, namely **"Equity Oriented Schemes" & "Debt Oriented Schemes"**.
- **Inflation Cost Index related details for Debt Oriented Schemes for the LTCG is now available in same report format.** No need to refer to Inflation Cost index report separately to get indexed details.
- It is suggested to use on-screen and excel format to have a complete report. In PDF format, certain columns have been removed due to limitations.
- ▶ Kindly get the latest version of the CD Mob. App. to have these changes in the report.

Placements:

1. Client Desk (Web) > Mutual Funds > Profit & Loss Report > Customized P&L Report
 2. Client Desk (App) > Mutual Funds > P&L Report
- ▶ Kindly check email to refer the relevant screen-shots for all the above-mentioned developments and keep sharing your valuable suggestions/feedback.

IMPORTANT CHANGES NJ E WEALTH ACCOUNT OPENING PROCESS

(Mail dated – 25th Mar 2021.)

- ▶ Hope you are doing well, We are writing this to inform you about below Important Changes related to NJ E Wealth Account (NJEWA) opening process which shall be implemented wef: 1st April 2021.

1) CKYC for Non Individual Clients:

- ▶ With reference to the SEBI circular no SEBI/HO/MIRSD/DOP/CIR/P/2021/31 dated March 10, 2021, **Even Non-Individual accounts are required to undergo CKYC process.** In line with the same, it will be mandatory to complete CKYC for Non Individual NJ EWA getting activated wef: 1st April 2021.
- ▶ Due to the above there will be a small change in the overall NJEWA opening process of Non Individual Clients. **Below additional requirements shall have to be fulfilled along with the EWA form:**
 - **CKYC Registration Form** for Non Individual Client along with required documents (Irrespective of KRA KYC status).
 - Annexure 2 to be filled separately by all the related person (Karta/Directors/Trustee/Partner/other authorised signatory) along with a self attested copy of PAN card and address proof (Officially Valid Document).
 - Any form dispatched at HO with immediate effect will require the above documents else the same shall be kept on hold till the required documents are provided. (Maximum upto 7 days, else will be rejected & returned back).
- ▶ Furthermore, for existing already active Non Individual NJEWA clients, we shall be shortly sending a separate communication for completion of their CKYC.

2) Minor EWA Account Opening Process:

- ▶ With reference to Minor NJEWA opening process, **it is mandatory for Minor account holders to have the same Guardian in their bank account which is provided in the NJ EWA form.** In case when the Guardian name is not mentioned on the given bank proof, then we shall require additional bank letter to confirm the Guardian name in the bank details provided by the client.

GOOD NEWS CHANGE IN TRAIL BROKERAGE PROCESSING

(Mail dated – 25th Mar 2021.)

- ▶ At NJ we are always committed to providing the best of services to our esteemed Partners. As a step forward in this direction, we are pleased to announce that **we are introducing a new process for speedy Mutual Fund Trail Brokerage payment to all NJ Wealth Partners.**
- ▶ We would be now processing the Mutual Fund Trail brokerage for a particular month in advance by the **first week of the succeeding month.** In other words, you will be receiving the past month's trail brokerage **which will be 70% of last month.** by the first week of the current month. We would be starting this initiative for an advance brokerage for the month of March 2021 itself which will be paid by the first week of April 2021 instead of the existing process of payment by the 20th of the month.

We would like our Partners to keep note of the following key points for this initiative.

1. Restricted to Mutual Funds: The Advance Trail brokerage will be paid only for Mutual Fund Trail brokerage and not for any other product or type of brokerage.

2. Extent of the advance trail of last month: The trail brokerage processed for advance would be 70% (65% for February month) of the preceding/last month's processed amount. For e.g., if the trail brokerage bill amount for the month of March was Rs.1,00,000/-, then 70% of it, i.e, Rs.70,000/-, will be processed as advance trail brokerage for April month to be paid by the first week of May. The same is subject to change at the discretion of NJ

3. Partner status should be active: Advance trail brokerage will be paid only to those Partners who are continuously active during the previous bill processing date till the advance trail brokerage processing date. Thus, Partners with status as Suspended/ Terminated/ Deactive for any reason will not be entitled to advance trail brokerage.

4. Should have positive bills for the last 2 months: Advance trail brokerage will be paid only in the case where for preceding two consecutive months, the trail brokerage bills are generated with amount >0 and Partner should be active during the processing of the said month brokerage.

5. AUM Shifting cases: In the case of AUM Shifting, both Old and New Partner would not be eligible for advance trail payment for that particular month.

6. Average AUM deviation should be <15%: If any major fall is observed in the Average AUM of the previous month and the current month, then in such cases, the advance trail brokerage will not be processed. For e.g., if the fall in Average AUM of Equity + Hybrid schemes and/or the Average AUM for All schemes is $\geq 15\%$ over the previous month then, in such a case, the advance trail will not be processed. The same is subject to change at the discretion of NJ

7. GST Adjustment: GST will not be applicable on Advance trail brokerage payment. GST will be applicable only on actual Trail brokerage processed. But in an exceptional case where Advance Trail brokerage is higher than the actual Trail brokerage processed, in such a case, the GST will be applicable on Advance Trail Brokerage. For e.g., if the April Advance Trail payment is Rs.1,00,000/- and the actual bill generated is for Rs.90,000/-, then in such a case, the Partner will have to pay GST as per 1,00,000/-.

8. Adjustment of Advance Trail: Any difference between MF's advance trail brokerage and actual trail brokerage will be settled at the time of actual bill processing for that month, i.e., by the last week of the month. For e.g., for April brokerage, while the advance Trail brokerage will be released by the first week of May, the balance, if any, will be settled by the last week of May.

9. Brokerage processing: The advance trail brokerage will be paid for T30 Brokerage as well as B30 Trail brokerage. Clawback if any, will be adjusted. Further, the advance trail brokerage will be paid only after adjusting any other outstanding recovery, if any. Since the processed payment is towards trail brokerage in advance, there won't be any bill /statement generated separately. Partner will receive communication of Advance Trail payment through mail and payment advice will also be generated for Advance Trail payment.

10. Trail brokerage Processing for excluded Partner: Partners whose advance trail brokerage is not paid due to any reason, their actual bill processing will be done as per the existing cycle.

- We believe this initiative, starting with the new financial year, will be warmly welcomed by all our esteemed NJ Wealth Partners. We wish you all the best for the new financial year and pray for your entire family's well-being.

IMPORTANT COMMUNICATION

NJ E-WEALTH ACCOUNT NON BUSINESS DAY ON 01ST APRIL 2021

(Mail dated – 31st Mar 2021.)

- As informed by Exchange, please note that **due to bank holiday on 01st April 2021 on account of Annual closing, following Mutual Fund transactions processing will be impacted on 01st April 2021.**

Applicable NAV matrix for 01st April 2021 - Non business day and transaction acceptance on NJ E-Wealth due to Annual Bank Closing day				
Transaction Type	Scheme Type	Transaction Submission Date	NAV applicability	Units Settlement / Fund Payout
Purchase / SIP / SWI / STP	All	31st March 2021 (After cutoff) To 01st April 2021 (Before cutoff)	05th April 2021	06th April 2021
Redemption / SWI / STP / SWP	Equity	31st March 2021 (After cutoff) To 01st April 2021 (Before cutoff)	01st April 2021	As per Scheme TAT (ie. 07th April 2021)
Redemption / SWI / STP / SWP	Other than Equity	31st March 2021 (After cutoff) To 01st April 2021 (Before cutoff)	05th April 2021	As per scheme TAT

- ▶ No redemption payout & units allotments will be done for any types of transactions on 01st April 2021.

Capital Market Fund Transfer:

- ▶ Due to banking holiday, no payment MIS will be received from the banks. Hence margin for all such transaction shall be processed on 05th April 2021. Please also note that there would be no fund and securities settlement on 01st April 2021 due to banking holiday.
- ▶ We request you to please take a note of above & also inform your clients.

IMPORTANT POINT TO REMEMBER

POINTS TO BE TAKEN CARE DURING NJ E-WEALTH ACCOUNT REGISTRATION TO AVOID REJECTION / NOT APPROVAL:

In order to avoid "Not Approval" or "Rejection" of NJ E-Wealth Account registration, you need to take care while mentioning details / uploading documents. Below are some of the Important points:

MAJOR REJECTION / NOT APPROVED REASONS	POINTS TO TAKE CARE
Data Entry Error 30 % Rejections	<p>BANK DETAILS – Bank A/c number, Investor's name, Mode of holding, MICR, IFSC code must be same as per the bank records and bank proof uploaded.</p> <p>SAME EMAIL / MOB DECLARATION – Relationship with existing client for using same mobile / email declaration should be mentioned correctly i.e Father, Mother, Spouse, Child instead of "Self".</p> <p>NAME ON SIGNATURE PAGE – Mention Name on the specimen signature page as per the applicant/s name.</p> <p>NAME IN EWA – Clients name in the E-Wealth account should be either as per the PAN Records or as Entered in "Name as Provided" field which should match with Esign done through Aadhaar & Bank records.</p>
Improper Documents 20 % Rejections	<p>DOCUMENT VISIBILITY – Upload clear visible scan copy of all the documents.</p> <p>SPECIMEN SIGNATURE – All the holders name & hand written signature should be uploaded on single signature page with correct holding pattern.</p> <p>DOCUMENT MISMATCH – The documents uploaded should be for the respective client only of which ref number is generated.</p>

We are sure this will help to activate the E-Wealth account without any hindrance.