

Dematerialisation or Rematerialisation of Mutual Fund Units

Option to subscribe/hold Units in dematerialized (demat) form:

Pursuant clause 14.4.2 of SEBI Master Circular for Mutual Funds dated May 19, 2023, an option to subscribe in dematerialized (demat) form the units of all the Scheme(s)/Plan(s)/Option(s) is provided to the investors effective October 1, 2011.

Consequently, the Unit holders under the Scheme(s)/Plan(s)/Options(s) shall have an option to subscribe/hold the Units in demat form in accordance with the provisions laid under the respective Scheme(s)/Plan(s)/Option(s) and in terms of the guidelines/procedural requirements as laid by the Depositories (NSDL/CDSL) from time to time. If the demat account details are found to be invalid, the investor shall continue to hold the units in physical form.

In case, the Unit holder desires to hold the Units in a Dematerialized/Rematerialized form at a later date, the request for conversion of units held in non demat form into Demat (electronic) form or vice-versa should be submitted along with a Demat/Remat Request Form to their Depository Participants.

The option to subscribe/hold units in demat option is available for SIP transactions. However, the units shall be allotted based on the applicable NAV as per the SID and shall be credited to investors demat account on weekly basis upon realization of funds. For e.g. Units will be credited to investors demat account every Monday for realization status received in last week from Monday to Friday.

Investors may kindly note that no statement of account will be generated by the Registrar & Transfer Agent ('Kfin') and all those folios for which demat conversion request is received will be blocked for generation of statement of account. Investors may kindly note that if folio number is provided along with additional subscription (against demat folio), the same will be treated as new transaction and fresh folio will be created.

The DPs shall send the unit balances/ confirmations to the investors. The Investors have to approach his/her DP for all change request updates/holding statements. The R&T of the Mutual Fund shall not accept any requests for change from the investors. Investors shall also note that partial allotment/conversion of units to Demat within the scheme shall not be permitted.

Process note on allotment of Dematerialization of Mutual Fund Units:-

The existing demat account can be used for holding and converting mutual fund units in dematerialised form. The following process can be followed for dematerialization:

1. How to apply for/get allotment of units in Demat mode?

Investors opting for demat units of Mutual Fund Schemes (under Direct and Regular Plan) during New Fund Offer and Ongoing Subscription are required to mandatorily provide the details of existing Demat account (Depository Participant (DP) ID and Client ID details and also known as Beneficiary id) held at either CDSL or NSDL.

Please note that, in case the demat account is held with CDSL then 16 digits account number needs to be mentioned and if demat account is held at NSDL then, the DP id is prefixed with IN followed by 6 digits and Client id as 8 digits need to be mentioned in the application form. It is always advisable for investor to enclose a copy of latest Client Master List (CML) not later than 3 months received from the Depository Participant along with complete application form.

Investor must ensure that the Demat account mentioned is Active. Investor must also ensure that Name(s) of the applicants, PAN, Tax status, holding pattern mentioned in the application form should match with Client Master List submitted. Once the aforementioned details are shared, the Mutual Fund Units will be credited to the Investor's Demat Account through Corporate Action. The same can be verified by the investor in their Demat Holding statement obtained from depository participant.

2. How to convert the units held in Statement of Accounts (SoA) mode to Demat mode?

Investors holding units of mutual fund scheme in physical form (Statement of Account), may convert them easily in demat form through Depository Participants (DP).

Investors having a demat account are not be required to open a separate demat account just for mutual fund units. The procedure for converting mutual funds units held in Physical form into demat form is as below: -

Physical process flow

- i. Obtain Conversion Request Form (CRF) from your DP.
- ii. Fill-up the CRF and sign it (as per the signature available in the application). In case of joint holders, all holders should sign the form.
- iii. The holding pattern in DP (as per Client master list) should match with Physical form (SOA).
- iv. Submit the CRF along-with the Statement of Account to your DP.

- v. Please mention correct folio number (refer SOA) in the appropriate place in the CRF.
- vi. In case of lock-in schemes (i.e., ELSS scheme), please fill up separate CRFs i.e., lock-in date wise.
- vii. After due verification, the DP would send such CRF to the respective depository where Investor is having Demat account.
- viii. Depository will send that CRF details to Registrar and Transfer Agent (RTA).
- ix. Post verification, the RTA will confirm the conversion request raised by the DP and the mutual fund units will be credited in your demat account.
- x. In case of rejection, necessary communication will be sent to the investor.

Online Process Flow

(Applicable only for NSDL Demat account)

Please click on the link mentioned below and proceed further:

<https://eservices.nsdl.com/cas-stmt-mf-conv/#/login>

Details of your existing investments in mutual fund units can be found in the Statement of Account received from Sundaram Mutual Fund or KFin Technologies Limited. This information is also available in the Consolidated Account Statement (CAS) that investors receive from Mutual Fund industry vendors. All existing mutual fund investments through Systematic Investment Plan (SIP) mode can also be converted into demat form.

3. How to convert the units held in Demat mode to Rematerialisation i.e., Physical (Statement of Account)?

Re-materialisation is the process of converting units from demat mode to physical mode i.e., Statement of Account mode. To re-materialise mutual fund units, submit the following documents as mentioned below:

I. Investors need to approach their respective DP and submit the duly filled and signed Remat Request Form (RRF) for each ISIN, fund, or folio.

II. The documents need to be submitted along with the form are as follows:

- a.** Self-attested Address proof copy (any one of these) - Voters ID, Driving Licence, Passport, Aadhaar, Bank statement. If Aadhaar is submitted as proof, please ensure that a masked Aadhaar is submitted, i.e., black out the first 8 digits of the Aadhaar number. Only the last four digits should be visible.
- b.** Self-attested PAN copy.

Upon verification of such request the DP shall forward these documents to the respective AMC/RTA for further processing.

Post verification, the AMC/ RTA will confirm the status of conversion request executed by DP and the mutual fund units are extinguished from the Investor's demat account. These Demat units are then converted into Physical (i.e., Statement of Account).

4. How to Redeem mutual fund units held in demat form?

Investors can redeem mutual fund units held in demat form through DP or stock exchanges (through stockbroker).

a. Through your DP:

- i. Obtain Redemption Request Form from your DP.
- ii. Submit the Redemption Request Form duly filled and signed by all the Unit Holders to your DP.
- iii. While submitting the redemption request investor should mention only free units excluding lock-in or pledge units if any as these Locked in or Pledged units are not eligible for Redemption.
- iv. After due verification, DP will execute electronic redemption request. It will be electronically forwarded to the respective depository in which client is having demat account.
- v. Depository will send all such electronic Redemption Request to the respective Asset Management Company (AMC)/ Registrar and Transfer Agent (RTA)
- vi. The AMC/ RTA will verify the redemption request and if in order, confirm it in depository system. This will result in debit/extinguishment of mutual fund units from your demat account opted for redemption.
- vii. AMC/ RTA will arrange the credit of redemption amount to the bank account which is linked to your demat account on the scheduled date.
- viii. Once the request is successfully processed, desired units will be extinguished from your DP account.

b. Through Broker/ Mutual Fund Distributor in Exchange Platform.

- i. Place Redemption order with your stockbroker/mutual fund distributor.
- ii. Deliver/transfer the required number of units redeem to broker/mutual fund distributor by submitting a delivery instruction slip (DIS) to your DP.
- iii. Delivery should be in favour of designated Clearing Member Pool account of the concerned Clearing Corporation. Kindly ensure that delivery instruction is submitted as per the timelines prescribed by your DP. The DIS slip should be filled with proper market type, settlement no, ISIN and number of units.

- iv. Upon receipt of such valid order and units, RTA /AMC processes the redemption with appropriate Net Asset Value and transfer the funds to the clearing house as per schedule.
- v. The Clearing Corporation will credit the funds to investor's bank account directly as per Unique Client Code through usual settlement process.

5. Is switch-transaction permissible if the units are held in Demat?

Yes, demat switch transactions are processed in demat holding also through exchange/clearing corporation. The mechanism is same as in case of normal redemption and subscription. Post processing of switch-out redemption. switch-in (subscription) is processed and equivalent units are settled to clearing house for on-ward credit to the investor's DP account. However. Systematic Transfer Plan & Systematic Withdrawal Plan are not permitted in demat.

6. Procedure for change in investor's profile/ bank account details etc. in respect of units held in demat mode?

In case of any modifications of bank account. address. contact details etc in the demat folios. the investor needs to update in his/her Demat account through their respective Depository Participant (DP). DP follows prescribed guidelines for such profile modifications as formulated by respective Depositories (NSDL/CDSL) in their operating manual. There is no need for the investors to submit any Non-Commercial Transaction (NCT) request to AMC/RTA as the basic information are shared by both NSDL/CDSL to RTAs on weekly basis.

However. few processes are outlined below based upon the information collated from depositories operating manual. The said process mentioned here is just for information only. Therefore, the investor is advised to approach his DP and provide appropriate documents and information as per depository process.

a. Change in Registered Bank Account

Investors can change bank account details registered in their demat account any time by submitting a written request (prescribed format) to their DP duly signed by all holders. The investor will also need to provide supporting documents for the new bank account

such as copy of passbook or account statement or cancelled cheque leaf with account holder's name printed. bank account number. bank name. IFSC/ MICR. DP follows prescribed guidelines for such profile modifications as formulated by respective Depositories (NSDL/CDSL) in their operating manual.

b. Change of address

Investors can change their address in the depository system by submitting a written request (prescribed format) to their DP. Such a request should be duly signed by all holders. Following documents should be submitted along with the request-

- i. Latest Statement of Transaction (SOT) of the Demat account.
- ii. Self-attested copy of any proof of identity document like PAN card, Passport, Voter identity card, Aadhaar card, Driving license, NREGA card.
- iii. Self-attested copy of any document as proof of new address Passport Voter's identity card, Aadhaar card, Driving license.

The investor would be required to produce original document for the purpose of verification of photocopy by the DP. The investor or their authorized representative should sign the application once again in the presence of the officials of the Participant. Once the request for change in address is processed in the depository system, an email is sent by NSDL to the account holder(s) informing the update, in addition to intimation from the DP. For more details, you may reach out to respective DP for detailed overview.

For any Dematerialisation or Rematerialisation of Mutual Fund Units related queries, investors can contact the AMC:

Email: customerservices@sundarammutual.com

Ph: 1860 425 7237