



Institute of Management, Nirma University

MBA FT (2020-22)

SUMMER INTERNSHIP REPORT



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Company: NJ India Invest Pvt. Ltd.

Job Profile: Sales Intern

Faculty Mentor: Prof. Balakrishnan Unny

Duration: 4th May 2021 to 3rd July 2021

Date of Submission: - 12/07/2021

DECLARATION

I, Anmol Gupta, solemnly declare that this Summer Internship Report is an authentic and original work done by me. And that it is to the best of my knowledge, ability and belief. I further declare that I have strictly observed reporting ethics and duly discharged copy-right obligation and properly referred all outsourcing of materials used in this report and nothing is confidential in this report in respect of the company of my internship.

Anmol Gupta

Roll No: 201303

ACKNOWLEDGEMENT

It was a pleasure to work for **NJ Group** as sales intern. This internship helped me improve my leadership skills, time management skills, team camaraderie skills and public relation skills. It helped me to understand the basics of B2B sales in the financial services sector. I am looking forward carry this experience along, in the future company and line of work.

I would like to express my special thanks to my reporting manager **Mr. Ajay Soni**, the Branch Manager at NJ India Invest Pvt. Ltd. of the Jabalpur branch, and **Mr. Tarun Parihar**, our team leader and mentor, for their constant support and guidance in the smooth completion of the project. It was a great experience working with both of them as they hold quite a few years of experience in their field.

Also, I would like to thank the entire Human Resources department and all the partners who showed immense support in all the time involving exclusive training sessions that were held to provide knowledge about the industry as a whole and mutual funds to be domain specific. They were a great help and trained us well for every new responsibility that the department gave us.

I am also thankful to my colleagues at NJ who were a great team and were always helpful to each other, even within the limited time frame.

I further extend my gratitude to my mentor **Prof. Balakrishnan Unny** for his regular guidance and supporting me every time whenever needed.

Lastly, I am thankful to Institute of Management, Nirma University for providing me such a wonderful opportunity. It was a nice learning experience for me through my Summer Internship and using all the skills that I had learned during my First Year of MBA Program.

EXECUTIVE SUMMARY

NJ Group is a financial services company based out of Surat in Gujarat which deals in financial products like mutual funds, bonds, equity, portfolio management services and more. The company works in B2B mode and its businesses expands from financial products distribution to asset management, real estate, insurance broking, training & development, technology and distribution of organic foods product. It has offices in 95+ locations in India, and some outside India. It has around 1500 employees and more than 25000 advisors in its network. It is a leading player in the industry. There were many interns hired during this summer internship period. Our responsibilities and duties were same, which majorly involved opening of Trading & Demat accounts known as “e-wealth accounts” here at NJ. The other work given was to reach out to potential customers and pitch to them that they join with NJ as financial advisors, and at the same time invite them to the fortnightly seminars conducted by NJ. The report gives an in-depth view of the responsibilities, learning and the industry of the company.

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PART - A

INTRODUCTION - About NJ:



NJ Group is a developing, emerging, and innovative business group with roots in the financial services sector and a strong desire to grow into additional realms. The group's aim is to be leaders in businesses driven by customer satisfaction, commitment to quality, and a desire to continuously create value for all stakeholders. This vision has assisted us in growing and gaining the trust of our clients and associates, which is the foundation of everything we do. Trust is also at the heart of our achievement and the driving force behind our enthusiasm for achievement. NJ Group is a prominent player in the Indian financial services market, distinguished by its strong distribution skills. NJ's adventure began in 1994 with the founding of the flagship firm, NJ India Invest Pvt. Ltd., to meet the demands of investors in the financial services industry. The NJ Wealth Distributor Network, formerly known as the NJ Fundz Network and founded in 2003, is currently one of India's largest networks of financial product distributors. NJ Group has diversified into other sectors throughout the years, and it now has a presence in industries such as financial goods distributor network, asset management, real estate, insurance broking, training & development, and technology. Our extensive financial services experience, along with excellent executional capabilities and a strong process and system focus, has allowed us to build a rising growth trajectory in our businesses. NJ Group is headquartered in Surat, Gujarat (India), and has a presence in 100+* branches in 21 different states in India, as well as in three countries, with over more than 35000 partners.

Vision: To be the leader in our field of business through – total customer satisfaction, commitment to excellence, determine to succeed with strict adherence to compliance and successful wealth creation of our customers.

Mission: Ensure creation of the desired value for our customer, employee and a thorough constant improvement, innovation and commitment to service and quality. At NJ they provide solutions which meet expectation and maintain high professional & ethical standard along with the adherence to services.

Products & Services

Mutual Funds: NJ India Invest is the country's largest mutual fund distributor and it is truly an inspiration as its founders have proved that it's possible to be on investors' side and yet grow big, really big. The company started very humbly when nobody wanted to even talk about mutual funds two decades ago, comparing it to the present where over 26000 distributors at NJ manage more than 45000 crore of investors' money. Recently, the company was granted a license by SEBI to launch a mutual fund (on 30th April 2021). NJ Wealth contributes more than 95000 crore rupees worth of the mutual fund industry's current AUM (Asset Under Management)

Tax free & Taxable Bonds, Direct Equity: Under a comprehensive wealth management platform with a wide choice of financial and non-financial products NJ Wealth offers customers and its partners with solutions that truly make a difference. Apart from domestic mutual funds the product basket includes capital markets (which include direct equity and exchange traded funds), fixed deposit of companies, Government/RBI/Infrastructure bonds, Portfolio Management Services (PMS). NJ Wealth also provides a bundle of services to its partners and customers like – dedicated relationship manager, marketing & sales support, research support, training & education support, dedicated customer care/ query management support, technology support (including online business). Customer services has an online family "Client Desk" enabling single portfolio view of entire wealth portfolio Trading & Demat Account with online transacting and call & trade service in mutual funds, direct equity & ETF.

NJ PMS: The PMS products currently offered are aimed at meeting investor's need for successful long-term wealth creation by following strategies that control risk and optimize returns in a mutual fund portfolio. The defined processes and smart use of technology further ensures that the investors are offered with quality portfolio management and administrative services, ensuring a complete peace of mind. PMS products currently two portfolio types namely Freedom Portfolio and Dynamic Asset Allocation Portfolio. Freedom portfolio aims at staying invested in equity mutual fund schemes at all times, deliver superior portfolio returns by selecting better performing schemes and encashing on opportunities offered by markets. Whereas, Dynamic portfolio aims to give better risk adjusted returns by deciding right proportion of Equity and Debt asset classes from time to time, and selecting consistently better performing mutual fund schemes. Customer service here includes – online **Client PMS Desk** with daily update reports and reporting on monthly, quarterly & annual basis through email and hard copies.

NJ Insurance: NJ Insurance Brokers Private Limited, a licensed insurance broker by IRDA, seeks to provide customers with comprehensive solutions catering to their insurance needs. At the heart of NJ Insurance is the strong vision for continued financial well-being for customers - individuals and families, regardless of any circumstances. The key is to offer 'right' advice which is unbiased and customer centric and encompasses the right risk to insure, the right coverage, the right product and at the right time. The idea is to offer clients with comprehensive solutions that extends further to cover quality claim settlement and other services. NJ Insurance leverages from the rich experience of NJ group in financial planning and investment management for customers. NJ Insurance Brokers has appointed Certified Insurance Advisors (CIAs) who work with customers in identifying, fulfilling & managing their insurance needs. NJ offers a comprehensive basket of products both in life & non-life insurance space and makes exhaustive use of technology to deliver great value to customers. General insurance products include Health, Motor & Personal Accident, from leading general insurers.

NJ Technologies: NJ Technologies is a latest venture by NJ wherein it aims to provide quality technology solutions to businesses in a wide range of domains. NJ started its journey in technology with the start of Finlogic Technologies (India) Private Limited, a group company, in year 2002. The idea then was to develop software applications to support the growing (financial

services) distribution business and manage the IT infrastructure. Over the years, the captive IT team, gained strong domain expertise and skills in diverse areas and technology domains. The entire NJ Group's internal systems and infrastructure is managed by Finlogic which also has developed many state-of-the arts, proprietary applications that power NJ's businesses. NJ Technologies now seeks to leverage these in-house skills & expertise to help other businesses find solutions for their business challenges. The Solutions offered include - Infrastructure Set-up and Management, Database Management, Customized Application Development, Software Quality Assurance and Information Security.

NJ Realty: The NJ Realty venture offers an integrated service model offering end-to-end services to various stake-holders in realty program management & execution. The idea is to associate with stakeholders and engage actively in various stages of program management, viz. market survey, and legal due diligence, land acquisition, planning & execution of projects and managing sales & distribution through NJ Wealth – Financial Products Distributors Network. Managing realty programs is a lengthy process replete with many challenges right from program identification to marketing. As a developer, investor or land owner, one may be keen to execute realty projects, but may not be equipped with the right skill-sets, contacts, experience and/or know-how for the undertaking. This is where NJ Realty can associate and help in shaping up the realty programs. NJ Realty has acquired considerable experience in program management and is also currently engaged in multiple programs playing diverse roles. At the heart of NJ Realty is the philosophy of sustainability and preservation of environment. Going beyond words, NJ Realty seeks to keep environment as one of the focal points in its real estate business.

NJ Capital: NJ Capital Private Limited, a registered Non Banking Finance Company, is focused on fulfilling the credit requirements of retail borrowers. The company currently offers loans against securities through a completely digitised process and is working to provide its clients a wide range of financing options to meet all their needs.

NJ Global Invest: NJ Global Invest Limited is a new venture wherein NJ seeks to offer a Global Wealth Advisory platform to advisors for offshore funds across the globe. The vision at Global Wealth Advisory platform is to offer a single window for investment opportunities across the globe to customers. The idea is to bring to customers a wide range of offshore fund schemes (domiciled in Mauritius, Luxembourg, Dublin and other jurisdictions), through advisors on the

Global Wealth Advisory platform. NJ Global Invest seeks to provide a offshore fund distribution platform & offshore Portfolio Advisory services under a B2B distribution model. NJ Global Invest also desires to offer comprehensive order routing and trade settlement facility with support services of client reporting & fees settlement. NJ Global Invest is a venture that leverages from rich experience & success of financial products distribution business in India. Incorporated in Mauritius, NJ Global Invest is set up an offshore fund distribution company and is a licensed 'Investment Dealer (Full Service Dealer, excluding underwriting)" by FSC, Mauritius.

INDUSTRY OVERVIEW

FINANCIAL SERVICES SECTOR

India has a diversified financial sector undergoing rapid expansion, both in terms of strong growth of existing financial services firms and new entities entering the market. The sector comprises commercial banks, insurance companies, non-banking financial companies, co-operatives, pension funds, mutual funds and other smaller financial entities. The banking regulator has allowed new entities such as payment banks to be created recently, thereby adding to the type of entities operating in the sector. The Government of India has introduced several reforms to liberalize, regulate and enhance this industry. The Government and Reserve Bank of India (RBI) have taken various measures to facilitate easy access to finance for Micro, Small and Medium Enterprises (MSMEs). Commercial banks, insurance firms, non-banking financial companies, co-operatives, pension funds, mutual funds, and other smaller financial firms make up the sector. Recently, the banking regulator permitted the formation of new businesses such as payment banks, diversifying the types of organizations functioning in the industry.

The Financial service sector is further divided into different types which includes

1. Banking
2. Mutual Funds
3. Wealth Management
4. Portfolio Management.
5. Insurance
6. Professional Advisory
7. Consulting Capital
8. Tax/Audit
9. Stock Market
10. Treasury/Debt Instruments

The financial services industry differs from other sectors in that it has unique characteristics such as intangibility, perishability, variability, labour intensiveness, and an emphasis on information.

- This sector plays a variety of roles, including monetary supply management in the economy, banking and insurance services, capital formation, and acting as a government agent for economic growth.
- The financial services sector also finances small and medium-sized businesses, provides investment advice, and provides pension fund and trust fund services.
- The primary functions of this sector are the promotion of liquidity, the creation of a link between savers and investors, the reduction of transaction and borrowing costs, and the allocation of risk.
- It is expected that India will become the fourth largest private wealth market by 2028.
- The mobile wallet industry's estimated CAGR growth will be 150% to reach USD 4.4 billion by 2022.

INSURANCE SECTOR:

This sector is regulated by IRDAI. LIC – Life Insurance Corporation of India is the largest public firm in India, with 24 life insurance companies and 34 non-life insurance businesses. Life insurers account for about two-thirds of total insurance business, while non-life insurers account for six public companies. GIC - General Insurance Corporation of India is a public reinsurance company. In 2020, India's insurance market will be worth USD 280 billion. By 2023, it is predicted to grow at a CAGR of 5.3 percent. In FY20, private enterprises hold 48.03 percent of the market share in general insurance and health insurance, and 33.78 percent of the market share in life insurance. The new premium paid by life insurance firms in FY21 is USD 31.9 billion. Foreign direct investment (FDI) has been increased from 49 percent to 74 percent. The IPO of LIC was announced in the Union Budget for 2021-22 by the Finance Minister. It has the ability to raise Rs. 100000 crores through an initial public offering. Crop insurance has been allocated USD 2.20 billion in the Union Budget.

PART - B

Introduction

Type of Project: Experiential Learning Project

Job Role: Sales Intern

Project Title: New Business Acquisition and Opening *E-Wealth Accounts*

Company: NJ India Invest Private Limited

Project Description:

The project assigned by the organization entails to get the contacts from different website and contact them to become the partner with NJ. Along with that, the assignment includes opening of E-Wealth account which is supposed to be acquired by contacting different partners (existing) of NJ as well as from personal references. The project provided by NJ Group is to realize the potential of the mutual funds and insurance industry and the scope of its future growth and accordingly targeting new customers. Thus, for this project the main aim was to collect the information regarding the potential mutual fund advisors and contacting them in pursuance of joining NJ Group as partners.

Objective:

- To increase sales of the company by effectively gaining long term customers/investors.
- To identify the scope of future business in the mutual fund and insurance sector.
- To promote investment in mutual funds by creating more awareness about the same.

Process:

Due to the type of this project, the approach for the project involves simply participating in the routine of approaching existing partners for new e-wealth accounts prospects and motivating them for the same.

- The process involves creating a database of contacts of the potential future customers who are then eventually approached and logically persuaded to join NJ Group as advisors or ‘partners’.
- Before reaching out to the potential partners it is important to have an understanding of the services and benefits that are provided to partners and their clients at NJ.
- At the heart of NJ Advisory Services the idea is to provide customers with solutions that give them the freedom from active management of investments while having an assurance that the firm would be doing so in the best possible manner. As an intern, it was important for us to have knowledge about the beliefs of the company and have it imbibed in us when interacting with clients or potential clients.
- The goal is to ensure the peace of mind of the investor. And for this, there is a lot of hard work that goes behind in maintaining the quality of service that NJ provides. Each individual representing NJ is expected to have a brief but thorough idea about the operations or flow of a particular job that particular individual is dealing with in order to resolve any queries the client may have.
- In all, the process was a routine work which was pretty much the same every day, starting from reaching to existing partners respectively assigned to each intern for new e-wealth accounts twice a day, then opening those e-wealth accounts received and ensuring that all the pre-requisites of the registration form is successfully received from the client. After that, the bank details of the client have to be verified and the KYC procedure has to be completed post which the form gets completed. Then, the other work is to reach out to people who are willing to be new and potential financial advisors with NJ group.
- For the people, who acknowledge that they are willing to be partners with NJ, then we take the conversation forward with our mentor and reporting manager wherein they are invited in a meeting with them and further discussions regarding commission, working style etc take place with them.
- After they join NJ as financial advisors also known as partners at NJ they are given a proper 30 hours training and are required to an examination post that, after which they are qualified to be dealing with clients as advisor representing NJ Group.

TASKS ASSIGNED AND TRAINING:

The NJ Group deals in B2B and acts as an interface and consultant providing support to its clients for managing their finances, various tools and instruments for investment are provided by them to facilitate the needs of the customer can be fulfilled having amount which varies from each customer to customer. This includes all types of insurance policies, consultancy, mutual funds investment plans, portfolio management and more.

TASK 1: The task assigned is of providing end-to-end assistance to clients for opening demat and trading accounts called as ‘e-wealth account’ in NJ. It involves ensuring that all the information required for the application has been received from the client and that such information is correct. It has to be made sure that all the documents that need to be uploaded on the portal are clear and correct.

TASK 2: The other task assigned is to keep communicating with the clients of the company designated as ‘partners’ on a daily basis to receive new e-wealth accounts that shall require assistance. And also, to ensure that the partners get all the queries that they might have resolved with the company, and any other form of assistance that can be provided to the partners for smooth flow of business operations.

TASK 3: As an intern with NJ I am also given this other task of reaching out to leads and prospects who might be interested to join the company as financial advisors, particularly focusing on mutual funds and insurance agents. It involves calling individuals and then presenting them with the opportunity to join the company along with bringing up to them all the benefits they shall be entitled to when associated with NJ. The calling numbers range from 50 to 100 per day per intern.

TASK 4: Another task given to me involved providing assistance to the newly recruited partners with their training and post induction assistance. In cases where they had some queries regarding the portal or accessing the study material or anything else, I would guide and help them with the same. Later, I would take a feedback on how well the issue is resolved and report the same to my mentor. This part also includes taking up some queries on behalf of my senior from the clients and then getting them cleared for them.

Observations: ORGANIZATIONAL TRAINING

Before starting to work on the above mentioned tasks, specific training was provided which also includes a 15 days training program that had lectures on different areas of the job on different days starting from May 10 to May 25. Apart from the exclusive training session the mentors are always there to help and guide through the tasks and its challenges every day.

The product basket at NJ Group includes everything as follows:

- All Mutual funds
- Tax free & taxable bonds
- NJ Loans
- Direct Equity
- NJ PMS (Equity PMS & Mutual Fund PMS)
- NCD/ Capital Gain Bonds/ FDS
- NPS (National Pension System)
- Insurance (Life & Non-Life)

NJ offers insurance products through PoSP model only. Insurance product is optional and there is a separate agreement for Insurance with NJ's Insurance firm. It is the leading B2B platform provided for financial products distributor in India with more than 35000 NJ partners.

Mutual Funds:

Mutual Fund business is great opportunity today as it is one of the fastest growing financial industry. India is expected to be the fourth largest private wealth market globally by 2028. The Association of Mutual Funds in India (AMFI) is targeting nearly five-fold growth in AUM to Rs. 95 lakh crore (US\$ 1.47 trillion) and more than three times growth in investor accounts to 130 million by 2025.

The growth of the mutual funds industry has been tremendous in the past two decades from 1.01 lakh crore rupees in Mutual Fund AUM in the year 2002 to rupees 24.58 lakh crores in the year 2019. Mutual fund AUM has grown 2.7 times in 5 years with 22% annual growth. The belief is such that 'Mutual fund is an ideal product for wealth creation and wealth preservation'.

Comparing mutual fund with other wealth creation products like Gold, Silver, Co. deposits, Bank deposits, sensex and parameter like Inflation it is a statistically stated fact that average equity mutual fund schemes give higher return than any other product, this conclusion was arrived at by analyzing growth of 1 lakh rupees in different asset classes in 15 years.

Mutual Fund offers various investment products:

The four categories of differentiating types of mutual funds are:

1. Money Market Funds

These funds are ideal product for parking temporary money. It is the best product against savings and current account.

2. Debt Funds

These are ideal product for short term investment. It is the best product against bank and company fixed deposit options.

3. Gold Funds

These are ideal product for gold investment. It is the best product against gold.

4. Equity Funds

These are ideal product for wealth creation in long term. It is the best product against direct equity.

Benefits of investing in Mutual Funds:

By investing into mutual funds an investor receives the following solutions to its many investment problems:

- Wealth creation solutions
- Regular income solutions
- Short, Medium & Long-term solutions
- Tax saving solutions
- Retirement solutions
- Financial goals achievement solutions

Work Culture: NJ Group provided an absolutely favorable work environment especially to interns given the fact most of us were fresher and it was our first experience to be working in the industry. Considering that NJ is a huge organization, interns were divided in to different branches across India. I was assigned under the Jabalpur branch along with 2 other of my fellows. Speaking for my team, there was absolute transparency at all times and a quite non-complex hierarchy as I was reporting to my mentor on a daily basis and eventually to our branch manager. The permanent employees were soft spoken and addressed their temporary counterparts with utmost request and dignity.

SWOT Analysis: A SWOT analysis is designed to facilitate a realistic, fact-based, data driven overview and observation of an organization's strength and weaknesses, and evaluating its competitive position in the market by considering the opportunities and threats of the external environment.

Strengths:

- NJ Group is a leading player in the financial services sector with presence in more than 95 locations in India.
- It is the biggest company in India as the Mutual Fund distributor and has been over many years.
- It provides a holistic and 360 degree support system to its advisors which differentiates it from its customer.
- It has tied up with almost 44 AMCs and 16 Insurance companies.
- NJ Mutual Funds AUM crossed 1 lakh crores recently.
- It regularly conducts seminars and partner meetings that create a healthy environment amongst its advisors, keeping in mind that all business work is now conducted through online mode most of the time.

Weaknesses:

- There is a lack of awareness about the company in the market; brand awareness is quite limited compared to huge size of the company.

- The other areas like bonds, equity and PMS need more attention to perform as good as the mutual fund business.

Opportunities:

- The scope is very wide in financial services, especially in India as a very small percentage of population makes investments into financial instruments.
- The company can take advantage of the dominant position, and efficiently use its huge network of partners across country.
- Other ventures can be boomed via the partner network like equity trading, general insurance, etc.

Threats:

- There are many competitors in the market who are rapidly growing and increasing
- The current environment with the covid pandemic has posed a threat on many businesses and financial sector itself is quite badly hit.

PART - C

LEARNINGS

- This internship project has been able to convey a great level of knowledge about the functioning of the financial services sector of India, especially the mutual fund domain. While trying to relate to the concepts learned in the first year of MBA with that of the experience gained when I was working with NJ Group, I could reflect upon the marketing concepts like – brand awareness, advertisement, communication etc.
- And regarding the mutual funds domain, I could relate to the impact of inflation on investment decisions more practically and comparison of various investment asset class on the basis of CAGR, inflation and valuation of money, here the concepts like Time Value of Money, Present Value, Future Value etc. were applied.
- The experience of working from home is quite different especially in the cases where it is completely online from start to finish. Each individual has to put in some extra effort to bridge that gap of communication that may arise sometimes. This brought me more patience, determination and sincerity.
- This project also gave a general management learning wherein no particular technological skills are in picture, rather just basic managerial tactics like getting the resources required to execute a particular task within the limited time frame.
- Basic communication skills – listening, speaking and observing get implied in every small and big task.
- I realized the importance of data even more profusely during my internship, as we were required to acquire data from various sources multiple times. There were times when there was a redundancy of data observations in our database and we had to apply the data sorting and segregating techniques. This was a continuous process.

Overall, it was a great learning experience, wherein partly the learning was exclusive and most of the times the learning was just a consequence of the whole experience.

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