



**MBA-FT 2020-22**  
**SUMMER INTERNSHIP REPORT**

**BAJAJ**  
**FINANCE LTD - AF**

**PROJECT TITLE:**

Identify and collaborate with Bike and non-Bike aggregators to increase lead count. Identify the leakages in 3M process and give suggestions on how to remove the weakness in our current system.

**UNDER THE GUIDANCE OF:**

**Prof. Tirthank Shah**

**Submitted by:**

Prabhat Srivastava (201332)

Marketing Intern

Bajaj Finance Ltd-AF

**PROJECT DETAILS**

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<b>Company Address</b>	Bajaj Finance Ltd – AF, Material Gate, Old Mumbai – Pune Highway, Yamunanagar, Akurdi, Pune – 411 035
<b>Organization Guide</b>	Mr. Anurag Shiva Deputy General Manager, Alternate Distribution, Bajaj Finance Ltd - AF
<b>Institute Name</b>	Institute of Management, Nirma University, Ahmedabad
<b>Faculty Mentor</b>	Prof. Tirthank Shah Institute of Management, Nirma University
<b>Purpose of report</b>	Submitted as partial fulfilment of the requirement of the MBA Course

## **DECLARATION**

I hereby declare that this project titled “**Identify and collaborate with Bike and non-Bike aggregators to increase lead count. Identify the leakages in 3M process and give suggestions on how to remove the weakness in our current system.**” at **Bajaj Auto Finance Ltd.** is a record of authentic work carried out by me under the guidance of **Mr. Anurag Shiva**, Deputy General Manager, Alternate Distribution – Bajaj Finance Ltd, Old Mumbai Pune Highway, Akurdi, Pune, Bajaj Auto Finance Ltd. & **Prof. Tirthank Shah**, Institute of Management, Nirma University, Ahmedabad. This project has been submitted to the Institute of Management, Nirma University, Ahmedabad, in partial fulfillment of the academic requirement for the Summer Internship Program (2021).

## ACKNOWLEDGEMENT

The internship opportunity with **Bajaj Finance Ltd - AF** was an amazing opportunity for learning and professional development.

I would like to use this opportunity to express my deepest gratitude and special thanks to my mentor for the project **Mr. Anish Patni**, Manager- Alternate Distribution Channel, Bajaj Finance Ltd – AF, who in spite of being extraordinarily busy with his duties, took time out to hear, guide and keep me on the correct path and allowing me to carry out my project at their esteemed organization. I would also like to express my sincere thanks to my reporting manager **Mr. Anurag Shiva**, Deputy General Manager, Alternate Distribution, Bajaj Finance Ltd – AF, for providing valuable insights and constant guidance throughout the course of internship.

Also, I would like to express my gratitude to **Prof. Tirthank Shah**, the guide for my Summer Internship for his insightful suggestions, encouragement and constant evaluation during my internship.

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## **EXECUTIVE SUMMARY**

This report gives a brief of the work done by me in Bajaj Auto Finance Ltd. over two months on 'Alternate Distribution'. There were several projects under this project which I had done during this period. I learned how the NBFC sector functions and how it has the potential to change the financial sector of India.

Bajaj Finance Limited is one of the most trusted brands in Auto Finance Division and my task was to firstly identify Bike and Non-Bike aggregators and arrange tie up with BFL. This process will lead to increase in lead count and also to identify the good and bad practices in Alternate Distribution Channel.

Secondly, I need to identify the ways to increase the 3M lead count by identifying the leakages in 3M conversion and suggest ways to increase conversion.

The overall task being done by me in the two months have been stated in the report below.

## **About The Organization**

The Bajaj Group is among the main 10 business houses in India. Its impression extends over a wide scope of businesses, crossing cars (bikes and three-wheelers), home apparatuses, lighting, iron and steel, protection, travel and fund. The gathering's lead organization, Bajaj Auto, is positioned as the world's fourth biggest two-and three-wheeler maker and the Bajaj brand is notable over a few nations in Latin America, Africa, Middle East, South and South East Asia. Established in 1926, at the tallness of India's development for autonomy from the British, the gathering has a celebrated history. The trustworthiness, commitment, genius and assurance to succeed which are normal for the gathering today, are frequently followed back to its introduction to the world during those long stretches of tireless dedication to a typical reason. Jamnalal Bajaj, organizer of the gathering, was a nearby associate and follower of Mahatma Gandhi. Truth be told, Gandhiji had embraced him as his child. We are celebrating 125th Birth commemoration of Shri. Jamnalal Bajaj on fourth of November 2014.

Bajaj Auto Finance Ltd. is a division of Bajaj Finance Limited and has headquarters in Akurdi, Pune, Maharashtra. Bajaj Auto Finance is in operation since 1987 and has more than 30 lacs customers across India. The company has 16 Regional Offices (RO) and 75 branch offices. Also, it has 294 urban and 497 rural consumer branches all across the nation.



**Bajaj Auto Finance gains a competitive advantage over its competitors by offering:**

- Easy online payments of EMIs
- Processing loans in 3 mins
- Minimal documentation requirements
- Quick loan processing
- Repayment alert schedules
- Strong 24\*7 customer support

**Bajaj Auto Finance has head office in Akurdi and total of 16 regional offices in:**

1. Ahmedabad
2. Bangalore
3. Bhopal
4. Bhubaneshwar
5. Chandigarh
6. Chennai
7. Cochin
8. Delhi
9. Ghaziabad
10. Hyderabad
11. Jaipur
12. Kolkata
13. Lucknow
14. Patna
15. Pune
16. Ranchi



Bajaj Auto Finance was awarded Best Place to Work award in year 2019, in year 2018; the company was awarded as Best Employer in India. Bajaj Auto Finance has always believed in maintaining high- trust and high-performance culture. These awards show that Bajaj Auto Finance has a culture which supports employee to develop and grow in their careers by providing the new and challenging opportunities which in turn also increases employee's morale and reduces turnover. We as an intern at Bajaj Auto Finance has always experienced huge support and learning opportunities in the company and our allotted mentors always give us opportunity and freedom to do things in our own way but on the other hand, they allow monitor our work that we don't go off the track. In this pandemic situation also, the company is offering all the work opportunities to its interns by allowing them work from home by understanding their situation.

The company has only 5 day working policy which gives employees time to focus on their personal lives which encourages them to work efficiently on their working days. Also, when we started our internship at the company there was an online orientation was organized by the company and senior manager helped us to understand the structure and working of the company and also, they allotted mentors to each intern to work efficiently. A mentor allots the work to their interns through mails and also explains the task, takes the progress report and also solves the queries through regular team meetings.

**Strategy:** The strategy of Bajaj Auto Finance is to provide maximum benefits to the customers and employees to retain them and to provide quality services like loan processing in 3 mins, easy EMI payment options, online processing, convenience to the customers and they also have a channel in some areas where the customer can call the company to collect the payment of EMI from him and a person from company will go to collect the payment and will give the receipt to him.

**Systems:** In Bajaj Auto Finance the decisions are made through both the top to bottom and bottom-up approach, as all the decisions which involve high cost are taken by top management of the company and also some decisions are taken after taking advise from field level employees

as the company believes that field employees are the one who are in contact with the real market.

Also, any employee has a right to challenge manager's decision and is free to give his opinion and if his opinion is approved then he's asked to work on it on trial basis. In this lockdown period, all the working and communication is being done through emails only and all the mentors guide their interns through "teams meeting application"

## **CUSTOMERS**

Bajaj Auto Finance bifurcate its customers according to different segments such as:

I. **Income Group:** The Company mainly focuses on 3 customer segments i.e.

salariated customers, self-employed customers and rural profile customers, who intend to purchase 2-wheeler and 3-wheeler vehicles. The company generally targets middle and lower segments of the markets.

II. **Age Group:** The Company focuses on customers of 18-45 year of age, who wants to buy 2-wheeler and 3-wheeler vehicles for personal and commercial use.

III. **Behavioural basis:** The company generally bifurcate the customers and focuses on customers who are regular in paying their EMIs and are stable financially

The company either approaches the customers directly through brochures or stored customer data or approaches the customers coming to the Bajaj showroom to buy 2-wheeler and 3-wheeler vehicles. The company offers loans to customers at Bajaj showrooms or at their authorized centres or the customers can apply for Bajaj loans online as well.

Bajaj Auto Finance has some conditions for customers, which they have to adhere to before applying for any loan at Bajaj Auto Finance:

I. The customers must be between age of 21-65 and customers of age below 21 but above 18, can apply but with a co-applicant

II. Also, the customer must submit/upload documents like ID proof, Address proof, payment bank slip to show income eligibility and latest passport size photos.

## INDUSTRY

Bajaj Auto Finance Ltd come in “NON- BANK FINANCIAL COMPANY (NBFC)” industry. NBFC are companies which does not have a full banking license but they facilitate banking related services like loans and credit services, wealth management, educational loans, etc and they are the main source of providing financial services to major MSMEs. NBFCs provide tailored financial services to its customers according to their specific needs. Reserve Bank of India regulates the operations of all NBFCs. NBFCs are the reason that the competition within financial services industry has increased. From past few years, the number of non-bank financial companies has increased significantly as many companies have entered the industry such as Power Finance Corporation Limited, Magma Fincorp, Bajaj Auto Finance, Muthoot Finance, Shriram Transport Finance Co. Ltd, etc.



Auto Finance companies comes under NBFC industry and India’s Auto Finance market is one of the most developed Auto Finance markets in Asia. As much as 90% of the commercial vehicles purchased in India are bought with automobile loans. The Auto Financing industry faces a huge threat from its substitutes and new entrants as well who aims to provide quality services at lower interest rates. Auto Finance companies have threats from various competitors such as other Auto Finance companies, banks and credit associations, internet loan providers, etc. Auto Finance industry is very competitive industry as there are many banks, NBFCs and other institutions competing in the industry also in this industry entry barriers are very low as any new players can enter the market with sufficient level of capital. Generally, in Auto Finance there was a thumb rule of one vehicle one party, but now in the changing industry many people can jointly own finance for the vehicle also now firms and businesses can buy vehicle and finance for the same on their name.

The company has following departments:

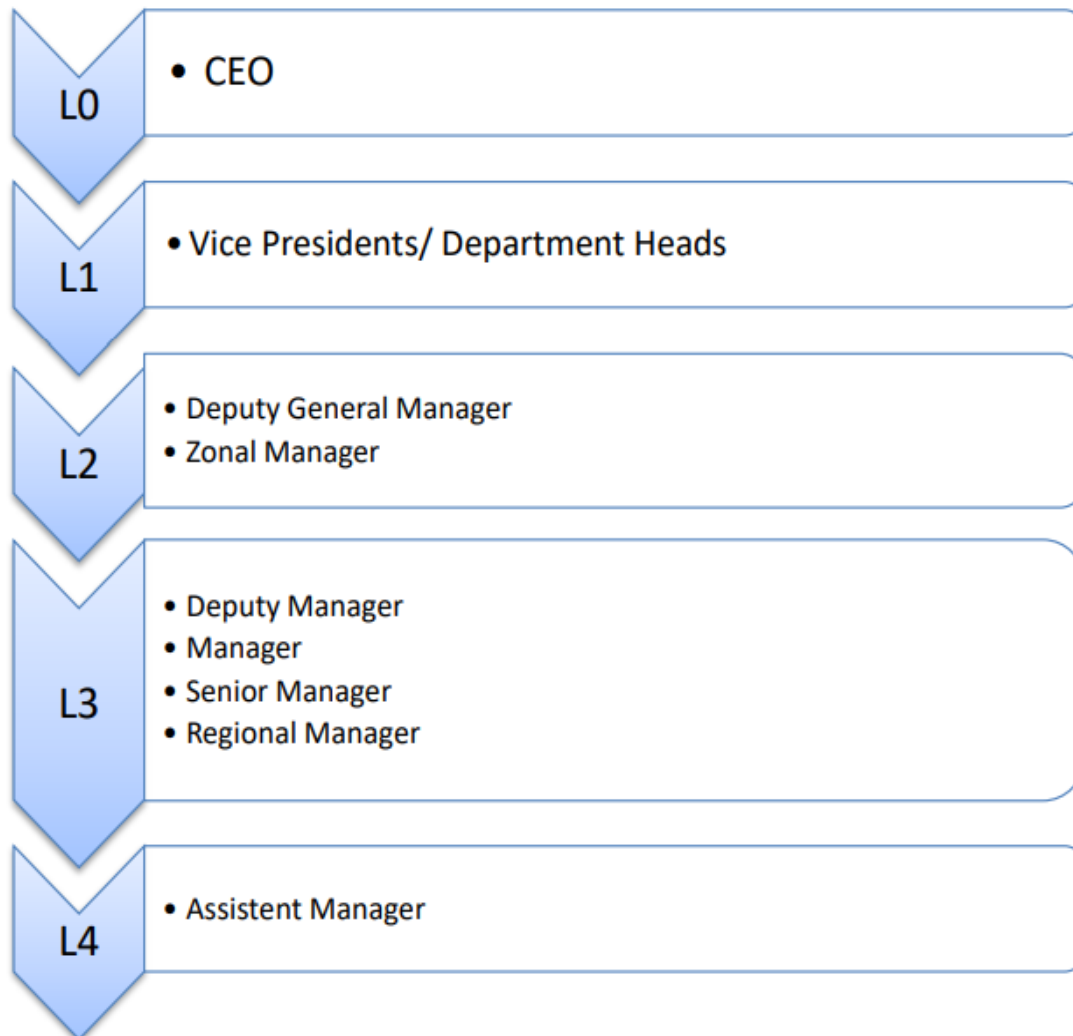
**Departments**

**BAJAJ**  
FINANCE LTD - AF

- Motorcycle
- Commercial Vehicle
- Collections:-
  - MC Collections
  - CV Collections
- Recovery
- Legal
- Human Resource
- Finance
- IT



**WORKFLOW OF THE DEPARTMENTS AT BAJAJ FINANCE LTD. –AUTO FINANCE**



## **2. Methodology**

### **a. Ethnographic Study:**

The ethnographic simply means the study of people in their environment through the use of methods such as participant observation and face-to-face interviewing etc.

Here the way the study was done, was based on the observation of the required people or environment based on the requirement. It was very important to observe every detail to gain as much knowledge as possible. Also recording the information in a journal was very important as each information cannot be recalled when it is most needed.

One of the important parts of the study was to always do research on the things which were observed and try to get more information out of it. Another way the information was taken was by asking a lot of questions to the concerned subject. Asking questions helped me to converse further and also helped me clarify certain things that I was unclear about. This helped me ensure that there was no mismatch in my observations and there were no assumptions made from my side.

Another thing that I had to make sure that there was no bias in the observations recorded by me. The data which was collected in the study was based on the facts which were also verified many times.

I was provided with the Hard Lead conversion Data of **January 2021- June 2021** which consists of around 12,000 leads, from it I made around **700-800** calls to people from various deposition to understand the Consumer behaviour while purchasing loans and to identify the leakages in our current systems to so that necessary changes can me made to ensure that the conversion rate increases.

### **b. Task Allotted**

List of tasks/objectives allotted are as follows:

- To identify all lead aggregators (bike & non bike)
- Provide contact details from where we can arrange tie ups.
- Highlight the good and bad practice within ADC

- Cross call on 3M cases where conversion is low and identify gaps Identify gaps (on conversion) by analysis of past trend
- Cross call on different deposition cases & identify gaps, leakages. Highlight the weakness in our existing system/ processes.
- 3M lead count to increase by 10% over Apr by new methods with existing aggregators or new aggregators
- To increase the average lead count by 10% by new methods with existing aggregators or new aggregators

## Market Research of Aggregators

The first task assigned to me was to understand the Aggregator Market and identify the aggregators with whom BFL can Tie-up.

A loan aggregator is basically a middle man or intermediary between lenders and car loan brokers. In simple terms, aggregators are accredited loan-writing businesses that provide finance brokers with access to a lender panel and a host of other support services .

Most importantly, aggregators, due to volume of loans, are able to negotiate better commission terms with lenders. For finance brokers this makes partnering with an aggregator a popular solution

Aggregator Name	Portal Type	Tie Up (Financers)	Platform	Brands
My Loan Care	Online Loan Marketplace	Axis Bank, SBI, HDFC Bank, PNB, Bajaj Auto Finance, Indusind Bank, Allahabad Bank, Andhra bank, Bank of India	Website, Mobile App	All
Bike Dekho	Bike Portal	HDFC, Bajaj Auto Finance, ICICI Bank, InCred, TATA Capital, TVS Credit, IDFC First Bank	Website, Mobile App	All
PaisaBazaar	Marketplace for lending products and credit score platform.	HDFC, Bajaj Auto Finance, ICICI, Hero Fincorp, SBI, BoB, AXIS, PNB, United Banko of India, Andhra Bank, Yes Bank, IndusInd	Website, Mobile App	All
BankBazaar	Online Marketplace to compare Financial Products	State Bank of India, Bank of India, HDFC, Punjab National Bank, Andhra Bank, Union Bank of India, Indian Bank, Corporation Bank, Canara Bank	Website, Mobile App	N/A
Bikewale	Leading source of Bike and scooter related information	Bajaj Auto Finance, ICICI, IndusInd Bank	Website, Mobile App	All
Car and Bike	One stop shop to get everything from the world of wheels under one roof.	It doesn't have any names of Financers on it's webpage.	Website, Mobile App	All
BankSaathi	Platform that make people understand complex banking industry	AXIS Bank , SBI, HDFC Bank, IDBI Bank, Indusind Bank, Bank of Baroda, PNB, Yes Bank, ICICI Bank	Website, Mobile App	All



Deal4Loans	Online loan information and application portal.	Hero Fincorp, Axis Bank, State Bank of Mysore, Allahabad Bank	Website	All
ZigWheels	Automobile research app	HDFC,BFL,ICICI, InCred, TVS Credit, IDFC	Website, Mobile App	All
CreditMantri	Credit Analysis and loan apply	TATA, Bandhan, Oriental, IDFC, BFL	Website, Mobile App	All
CoverFox	Insurance Portal	NA	Website, Mobile App	N/A
DialaBank	Financial Helpline Portal	HDFC, Bank of India, SBI, PNB, Canara Bank	Website	All
CarBikeLoans	Loan Portal	SBI, YES, L&T, TVS,ICICI, PNB, Union, AXIS	Website	All

Aggregator Name	New/Old	Bajaj Tie Up	Features	+/-	Instant Loan
My Loan Care	Both	Yes	comparison chart of all the Banks Interest rate, contains description everthing needed to avail bike loan	Placement of data such as no of customer registered, customer review really looked good on the website.	Yes
Bike Dekho	New	Yes	Get Instant offer quotes, Bike dekho is a dedicated portal to bikes only and here you can visit and compare different bikes.	Offer a loan of Rs. 500 for Bajaj Loans.	Yes
PaisaBazaar	New	Yes	Provides credit score, describes everything about for bike loan, and FAQs	Great Interface, one of the most popular site to check credit score.	After filling up all the details, we get a voucher code and we need to show it to the dealer to avail loan.
BankBazaar	N/A	No	Webpage compares the interest rate & processing fees of all the banks to help the	They also don't collect any data in the case of two-wheeler loans and	N/A

			customer to get a better deal.	don't collect and provide data	
Bikewale	New	Yes	Apply and fill Details, download voucher code, contact dealer. FAQs are also there.	It only has 3 partners so Bajaj has a greater reach here.	Yes
Car and Bike	New	No	After filling the data, it states that one of the affiliate partners will contact us.	(-) It doesn't shows the logo of the affiliate banks.	The details are shared with affiliate partners for further process.
BankSaathi	New	Yes	It has a comparative chart on the webpage of all it's partner loan providing companies where one can compare and directly get quote by entering all the personal details.	(+) One can compare interest rate and then get quote of the preferred partner	Yes
Deal4Loans	New	No	Banks have a kind of blog on this Webpage and when we read more about one bank then	(+) You can compare about banks by looking at the blog.	N/A
ZigWheels	New	Yes	a great website for researching about bikes and compare them		24 hours approval
CreditMantri	New	yes	Check credit score, understand credit and how to increase credit scores		N/A
CoverFox	NA	NA	Compare and Purchase Bike Insurance	We can get the Calling data from it	NA
DialaBank	New	No	Deals in all kinds of financial products and services	(+) It works as an intermediary so BFL should collaborate with it	4 hours
CarBikeLoans	New	No	Deals in Auto Loan		Yes

## Competitor Analysis of Bike Loan Financers

Financer Name	Brands	ROI	Processing Fees	% of Money Financed	Min, Max Loan Amount
Bajaj Auto Finance	Bajaj, KTM, Bajaj RE	7.25% onwards	1%-3%	95%	NA
State Bank of India	All	16.05%	2%+GST or Rs.1000	75%	(30000-250000)
Bank of India	All	7.35%	500-10000	100% of Ex showroom Price	NA
Axis Bank	All	10.80%	NIL	100% of Ex showroom Price	Starting Rs 20,000
HDFC	All	14.50%	3% or Rs. 600	85% of On Road	(20000-200000)
PNB	All	9.55%	0.50% or Rs500	90% of ON Road Price	Rs. 1.50 Lac Max
IndusInd Bank	All	21%	2-5%	95% of Ex-ShowRoom Price	NA
ICICI	All	10.25 to 27%	Upto 2.5%	100% of OnRoad Price	20000-1000000
Indian Bank	All	10.35%	3%	85% of On Road	Max Rs 10 Lac
Canara Bank	All	9.00%	0.25% or Rs 1000	90% of ON Road Price	Min 10000
United Bank of India	All	9.55%	1%	90% of ON Road Price	NA
Hero Fincorp	Hero	Depends on many factor	NA	95%	10000-100000

Financer Name	Max Loan Tenure	Key USP	Digital Presence	Lowest EMI per Rs. 10K for Max Tenure
Bajaj Auto Finance	3 Years	BFL only deals in Bajaj and KTM Bikes.	Yes	Rs. 310 - 3Y
State Bank of India	3 Years	Super Bike Loan, Biggest customer base in India	Yes (YONO App)	Rs 350- 3Y
Bank of India	5 Years		Yes	Rs 200- 5Y
Axis Bank	4 Year		Yes	Rs 216- 5Y
HDFC	4 Year		Yes	Rs 276- 4Y
PNB	5 Years		Yes	Rs 210- 5Y
IndusInd Bank	3 Years		Yes	Rs 377- 3Y
ICICI	4 Year		Yes	NA
Indian Bank	5 Years		No	Rs 214- 5Y
Canara Bank	3 Years		No	RS 318- 3Y
United Bank of India	5 Years		No	Rs 210- 5Y
Hero Fincorp	4 Years		Yes	NA

## Analysis of Personal Loan providing NBFC

During performing the competitor analysis of the financiers in Two-wheeler loan industry, I identified that there are various Independent NBFC that offer offer instant personal loan and can prove to be a threat to BFL as they did not have stamping cost and other expenses and in short time loans they are not that much expensive and they have a very swift loan approval process so some customers may also switch to it.

Name	Type	Features	Max & Min Loan amount	ROI	Processing Fees	Offers Bike Loan
HomeCredit	Independent NBFC	OnPoint Webpage Design & works on the idea of visiting the Partner store for loan approval	25000 to 200000	19-49%	0-5%	NO
Fullerton India	Independent NBFC	descriptive webpage which explains its features and benefits	NA	8-25%	Not Given	YES
MoneyTap	Personal Loan	"no-usage-no-interest", upload documents and get a approved credit line	3000-500000	Starting 13%	Not Given	No
PaySense	Personal Loan	One of the best instant loan apps,	5000-500000	16-36%	2.50%	YES
CASHe	Personal Loan	Allows transfer of money to Paytm wallet	2000-200000	1.75% p.m.	2%	No

## 2W Finance: Salient Features

### 1. Sourcing

#### **Activities:**

- Field team along with dealers and sub-dealers. Dedicated sales executive at
- these locations
- Customer comes to dealer/ sub-dealer location
- KYC documents collected from the client

#### **Comments:**

- Dealers and sub-dealers provided incentive to refer clients through commission and trade advance
- Relation with local dealers critical for sourcing
- Agents of financiers helps with sales at dealer locations

### 2. Appraisal and approval

#### **Activities**

- LTV and pricing list available for 2W models
- Income check either through documentary evidence or assessment by field Officer
- Some of the credit terms seen are as below:
  - CIBIL checks
  - Owned home or long presence at same address
  - Local reference check
- Approvals may vary from model based or HO based to branch level authority

#### **Comments**

- FI being done away by many players if comfort available through documentary evidence to reduce TAT
- Some players have integrated IT systems to manage the entire lead origination, documentation and approval process
- Branch staff recruited from local areas – they have a deeper understanding of the customers.

- Salaried customer granted loans at favorable terms

### **3. Collateral**

#### **Activities**

- Reliance is placed on the security of the 2W model being financed
- Leading models with better secondary market are financed at higher LTVs
- Guarantee is generally compulsory for student profiles and customers without permanent residence

#### **Comments**

- Valuation of used 2Ws a key determinant for LTVs
- Models with better secondary market financed at more aggressive terms

### **4. Collection**

#### **Activities**

- Cash collection is seen in this segment, though the companies are shifting to non-cash models depending on the target customers
- Collection teams may be in house or outsourced collection agencies.
- The collection may also be divided between in-house team and agents based on PAR status
- Local connections may be used to facilitate collection process in rural areas
- Repossession is done where client is not expected to pay back

#### **Comments**

- Given the weaker credit profile of the borrowers, collections constitute the most critical function for 2W finance companies
- Repossession activity involves cost related to repossession agent, yard charges, loss on sale of repossessed assets, etc.

## RISKS ASSOCIATED WITH TWO-WHEELER FINANCE

### **Emerging Risks**

#### **Product**

- Increasingly an off-the-shelf loan product: Talks of extending loans without vehicle hypothecation
- Top-up loans (loan against vehicle) to retain customer with no defined end use
  - o Very limited book
  - o Offered to existing customers, with established track record
  - o Defined LTVs considering the current and expected market value

#### **Process**

- No underwriting, despite increasing loan amounts. To become more acute going into FY21, with BS VI jacking up prices and hence finance amount
  - o Being managed by focussing on key models, strong local knowledge

#### **Portfolio**

- Increasing ticket size even for entry level vehicles with price rise and higher LTVs

#### **Collection**

- Repossession as a collection strategy to further lose steam due to higher LTVs
  - o Bank transactions with stronger customer and connect on field/ feet-on-street
  - o Social pressure (guarantors) points being created

## **Key Challenges**

### **On-boarding**

- Lack of discipline/ process during sanction
- o Unlike other operating models of finance, no customer awareness process
- o Absence of importance of financier in the customer's lifecycle

### **Loan repayment**

- High bounce and soft delinquency
- o Borrowers wanting to follow 30 day repayment cycle from date of purchase irrespective of EMI date
- o Slippages allowed for bounce charges and penal interest
- Inability to quickly resolve higher buckets of delinquency
- o Borrowers are not able to clear multiple instalments in one go
- o Continue to remain at risk even if they pay one instalment every month after skipping few months
- Limited borrower knowledge in accident cases
- o Claims to be filed within 90 days post accident
- o Borrowers dump the vehicle and stop paying, thereby leading to default and very low recovery on repo



### 3M Process

Bajaj Auto Finance has a 3M process where they approve loans in 3 Minute.

Call centres are used for it and the customers who have applied for loans through different channels are given follow-up calls and the target is to ensure that the LAN (Loan account Number is generated within 3 Minutes).

BFL provided me with the Hard Conversion data of last 6 months (January 2021- June 2021) and I was allotted the task of making random follow-up calls to find out the leakages in the 3M process as well as to understand the consumer purchasing behaviour to identify the reasons of why the customer isn't purchasing through BFL.

After making around 600-700 calls, I came up with my observations and loopholes that were there and suggested the necessary plan of action needed to be followed in order to increase the lead conversion rates.

The major observations were:

- ▶ Bajaj Showrooms doesn't offer BFL Loan and was having some other financiers
- ▶ BFL was more expensive when compared with other banks like IndusInd Bank & HDFC Bank
- ▶ BFL was taking a lot of time to process the loans and the customer was opting for other financiers who offered loan at lower rate.
- ▶ BFL doesn't provide loans at lower CIBIL score whereas Shri Ram and L&T offered at a lower CIBIL score.

## Identification of critical issues or problem areas

1) In today's world COVID-19 is become a major issue that has to change the whole country and make big-big companies into depression. Bajaj auto finance is a very big company but COVID-19 is a critical issue that can make this company in depression soon as less revenue will be generated from the people as they will not take a loan for commercial vehicles.

2) One of the major critical Issues Bajaj Auto Finance will face a lot of competition as many companies have started financing for commercial vehicles which will major impact the financing of our company.

3) In today's era customers want to have a standard of living and want to have a comfortable life starting from middle class to upper-middle class to they are financing for four-wheelers more rather than two-wheelers and more they are taking four-wheeler on EMI.

4) One of the growing segments today is that of electric vehicles. Bajaj does need to introduce some of the electric vehicles in its product portfolio. This can be a future problem for the company if they do not take hold of this issue now. Keeping oneself updated with the competition is very important.

5) Growing safety issues (Strict Enforcement of Tough BS 6 Guidelines) Effective From 1-04-2020 and rising figures of Road Accidents & Fatalities.

6) Every country is experiencing economic difficulties as a result of the epidemic, and many individuals have lost their jobs or had their salaries reduced, and many families' funds have depleted as a result of the extended lockdown period. As a result, middle- and lower-class individuals would opt not to buy new 2-wheeler or 3-wheeler vehicles or would want to buy a less costly model, lowering the sale value of Bajaj cars in the future and affecting Bajaj Auto Finance sales. However, there is a good chance that people will buy more budgeted vehicles to avoid taking public transportation, so Bajaj Auto Finance should focus more on providing loans

for budget 2 and 3 wheeler vehicles, and the company should also start leasing or renting their vehicles to customers for around a year so that customers don't have to think too hard before returning the vehicle.

7) Although Bajaj Auto Finance's interest rate on two-wheeler vehicle loans is above average, the company maintains its competitive advantage and annual profits. However, the company may face competition from competitors and new entrants in the near future, as its competitors, such as Indian Bank and Bank of India, have already reduced their interest rates on two-wheeler vehicle loans. To retain a competitive edge, the firm can lower the interest rate on its loans to a specific level, as well as provide quality services and simple repayment choices to its clients.

## KEY LEARNING

The first thing I understood while working was identifying the Business need or in Marketing terms, what is the Value you are creating for your consumer through your product. This can be applicable across products. In case of Bajaj Auto Finance, the key USP was that BFL is available in all the Bajaj Showrooms and we provide swift loan and the customer can get the bike and loan at one place only.

Understanding the consumer is the next key aspect. During my internship, I did this by interviewing consumers, and talking to people from across India and understand their purchase decisions while buying 2-wheeler finance, asking questions, making notes, and sharing it with my mentors and peers refining and redefining the values the consumer was seeking.

I learnt about the alternate distribution channels and how this whole commission bases loan business worked and arranged Tie-up of Bajaj with 4 Different aggregators.

I also learnt about the working of loan industry, how loan is approved and the things that work on the back-end, and the consumer behaviour of customer while purchasing it.

This internship has given me opportunities to experience the work and importance of Marketing and Sales department in the corporate world. In this internship, there were different projects under consolidation and documentation of "Alternate Distribution Channel" but the main aim was to understand how the work is done in this field and also importance of various documents for communication. I gained a wide perspective about the working of the automobile industry and the loan industry too.

The manager had provided us with an ample amount of time just to get familiarized with the automobile section of Bajaj i.e two-wheelers and three-wheelers before we could start learning about the whole loan process. It seemed insignificant in the beginning but later as the project moved forward I realized how important it is to have a 360 degree knowledge of your domain and the competitors if you want successful sale conversions. Competitive analysis was a huge part of my project through which I identified the USP of Bajaj Auto Finance too. A lot of secondary and primary research was done to identify the aggregators in the market and contact them. Then, the next part entailed learning about the A to Z of loan giving process and a lot of new terms (such as CIBIL) were learned.

We were also asked to visit various dealerships as mystery customers and interact with the dealers and understand the ground level reality as a part of experiential learning in this project. Tons of observations were made which intern were very helpful for the next part of the project which was to identify the conversion leakages in the sales process by taking customer feedbacks from non-converted leads. There were both positive and negative reactions to the same and the entire data when compiled and presented to the manager, gave various insights about how these numbers can be reduced and the conversion rate increased.

My key learning was that you have to experience the entire customer journey first, and only then will you really be able to identify and solve problems in depth, hence driving the business towards more profits.

## BIBLIOGRAPHY

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- <https://www.bajajautofinance.com/about-bajaj-auto-finance>
- <https://www.bajajautofinance.com/about-bajaj-group>
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**ANNEXURES**

**Certificate of Internship**



CERTIFICATE OF INTERNSHIP

Dear Mr. / Ms. Prabhat Srivastava

This is to certify successful completion of your Internship under our Campus to Corporate Program for the period from 3<sup>rd</sup> May 2021 to 30<sup>th</sup> June 2021.

During this internship you have submitted Project/s on the Topic of:

- Identify ways to increase the 3M (online loan approved cases) lead count.
- Identify the leakages in 3M conversion and ways to increase conversion.
- Identify all the bike aggregators & non bike aggregators and arrange tie up with BFL.

The above project was completed under the guidance of Mr. / Ms. Anurag Shiva (Deputy General Manager - Alternate Distribution) who has confirmed satisfactory completion of your Internship.

During internship, you have engaged with Managers at our following office:

Bajaj Finance Ltd  
Old Mumbai-Pune Road,  
Akurdi, Pune-411035

We congratulate *Prabhat Srivastava* And wish him good luck for her professional Journey.

Warm Regards,

  
Anuja Krishna

(Senior Manager - Human Resources)

Date: 12<sup>th</sup> July 2021



**Bajaj Finance Limited**