



**NIRMA**  
UNIVERSITY

INSTITUTE OF MANAGEMENT

NAAC ACCREDITED 'A' GRADE

## SUMMER INTERNSHIP

### “Final Report”

**Submitted to:** Prof. Sandip Trada

**Submitted by: - Name-** Shashank Agrawal

Roll No – 201447

**Section:** D

**Batch:** MBA – FT (2020-2022)

**Institute of Management, Nirma University**

**Date of Submission:** 12<sup>th</sup> July, 2021

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## Title Page

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Author of the report : Shashank Agrawal

Company Name : N.J Group

Project Title : Project or Tasks that I am going to perform in SIP are: - Client Acquisition and partnering, Data collection and management, gaining knowledge about the industry, solving prospective clients query and motivate them to become partner.

Address : NJ wealth, 734 Fatema market chatripool road, Ratlam, Madhya Pradesh- 457001

Date of Report : 30th June, 2021

Purpose of Report : To

Submission to : Faculty Mentor, Programme Office.

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## Acknowledgement

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I wish to express my sincere gratitude to my unit manager and organizational guide Mr. Shadab Khan for providing me with an opportunity to do my internship and project work in this esteemed organization. He rendered me immense help during this internship and provided me valuable insights to carry out the project.

I sincerely thank, Prof. Sandip Trada, my faculty mentor at the Institute of Management, Nirma University for providing me encouragement and guidance throughout the period of this internship.

I would also like to thank the Institute of Management, Nirma University, CRC and the Placement Committee for providing me the opportunity to embark on this project.

Shashank Agrawal

(201447)

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## Declaration

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To Whom It May Concern:

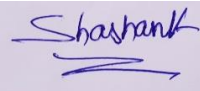
I the undersigned solemnly declare that the project report is based on my own work carried out during the course of our study under the supervision of Prof. Sandip Trada. I assert the statements made and conclusions drawn are an outcome of my research work. I further certify that

I. The work contained in the report is original and has been done by me under the general supervision of my supervisor.

II. The work has not been submitted to any other Institution for any other degree/diploma/certificate in this university or any other University of India or abroad.

III. We have followed the guidelines provided by the university in writing the report.

IV. Whenever we have used materials (data, theoretical analysis, and text) from other sources, we have given due credit to them in the text of the report and giving their details in the references.

**Signature :** 

**Name :** Shashank Agrawal

**Roll No. :** 201447

**Section :** D

**Batch :** MBA – FT (2020-2022)

**Date :** 12-07-2021

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## Executive Summary

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The main purpose of this project is to understand and gain more knowledge about the financial market. As I am pursuing finance as my major, The summer internship training helped me to gain hands-on experience in the field of finance. In respect to the field of finance, the main task of interns was to gain experience in customer engagement and sales of financial products as well as various challenges faced by N.J. Group (Financial service providers) in dealing with customers and ways to bring in new customers to the organization.

I got an opportunity to interact with various types of people with various designations like insurance agents, stockbrokers, financial advisors, Chartered Accountants, etc. We were allotted with the task to convince those individuals to become distributors of our financial products and I got to learn a lot from my unit manager Mr. Shadab Khan of ways to interact and convince prospective customers as well as of financial products.

During my Internship, I got to learn a lot about the Indian Financial market. I was placed in the Ratlam office, I also got to learn about the current situation of financial markets in India and the scope and potential that lies in it. As N.J. The group's biggest product was mutual funds, so I got to learn about this product more than any other financial product. I got to know that mutual fund is still a small industry in India, but has a lot of growth potential and business opportunity. Since the company deals in various financial products, the internship helped me to gain experience in the field of finance and marketing and would help me in my future career as well as managing my finances for investments.

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## Part I

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### **Company Name: NJ Group**

NJ Group is a leading player in the Indian financial services industry known for its strong distribution capabilities. The started its journey in 1994 with the establishment of NJ India Invest Private Limited, the parent company, to cater to investor needs in the financial services industry. Today, the NJ Wealth Distributor Network, earlier known as the NJ Funds Network, started in 2003 is among the largest networks of financial products distributor in India.



Over the years, NJ Group has diversified into other businesses and today has the presence in businesses ranging from financial products distributor network, asset management, real estate, insurance broking, training & development, technology & distribution of Organic food products, an Interior Designer, innovative loan products, offshore funds across the globe and charitable trust. Our rich experience in financial services, combined with exceptional capabilities and strong process & system orientation, has enabled us to shape a rising growth trajectory in our businesses.

NJ Group is based out of Surat in Gujarat (India) and has presence in 95+ locations in India and has over 1475+ employees.<sup>1</sup>

## **Vision**

To be the leader in our field of business through,

- Total Customer Satisfaction
- Commitment to Excellence
- Determination to Succeed with strict adherence to compliance
- Successful Wealth Creation of our Customers

## **Mission**

“Ensure creation of the desired value for our customers, employees and associates, through constant improvement, innovation and commitment to service & quality. To provide solutions which meet expectations and maintain high professional & ethical standards along with the adherence to the 3 service commitments”



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<sup>1</sup> Reference “<http://www.njwealth.in/>”



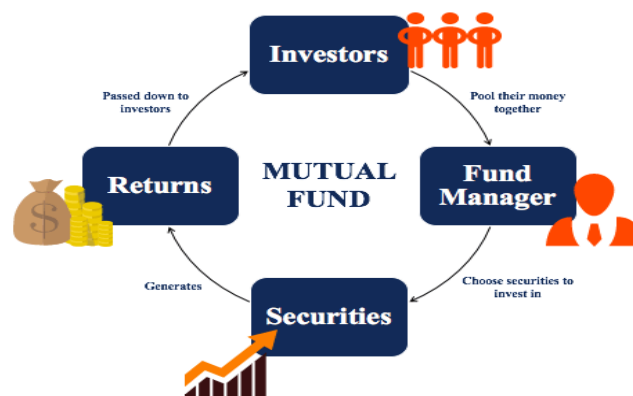
## Financial services Sector

The financial services sector includes various firms and companies that provide financial services to people and corporations. The part of the economy is made up of a variety of financial comprises commercial banks, insurance companies, non-banking financial companies, co-operatives, pension funds, mutual funds, and other smaller financial entities. etc. The financial services industry is probably the most important sector of the economy, leading the world economy in terms of earnings and equity market capitalization. Large conglomerates dominate this sector, but it also includes a diverse range of smaller companies.

According to the finance and development department of the International Monetary Fund (IMF), financial services are the processes by which consumers or businesses acquire financial goods.<sup>2</sup>

### **Mutual Funds**

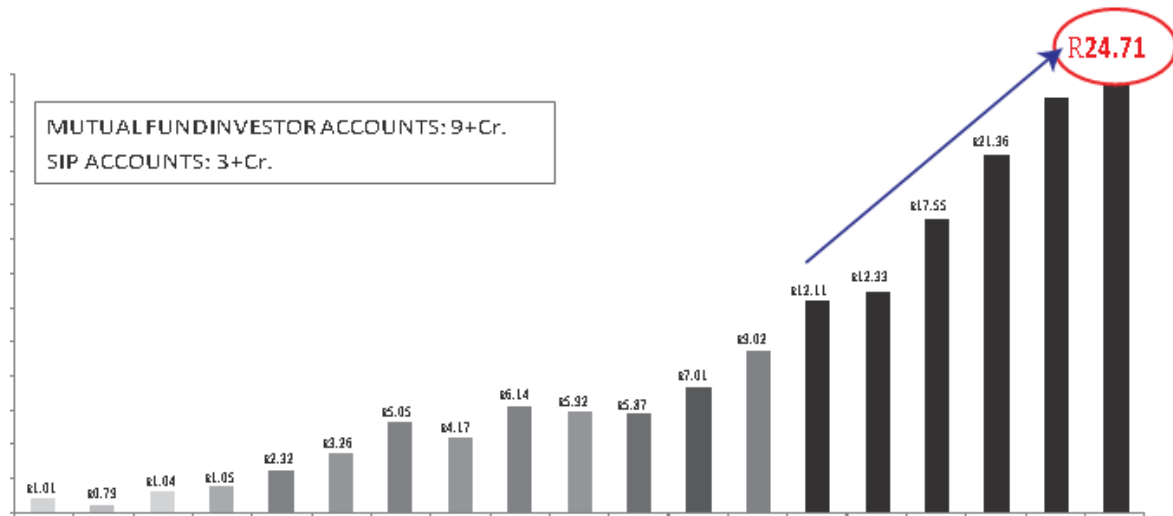
NJ group deals in various financial products and mutual funds are their main product. They are in the asset management business and their biggest product is a mutual fund and they majorly deal as its distributor.



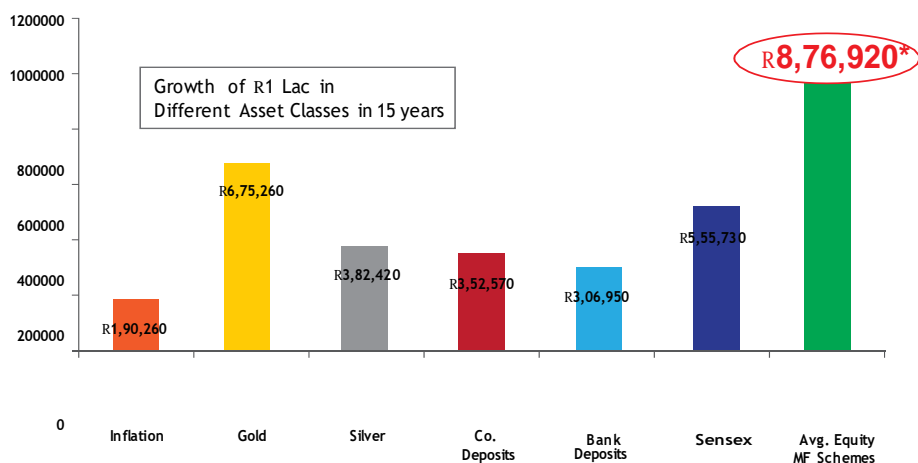
A mutual fund can be called a trust that pools the savings of a variety of investors who share the same financial goal. the cash collected & invested by the fund manager in several forms of securities depending upon the target of the scheme. These could range from shares to

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- <sup>2</sup><https://www.investopedia.com/ask/answers/030315/what-financial-servicessector.asp>

debentures to money market instruments. The income earned through these investments and its unit holders in proportion to the number of units owned by them (pro rata) shares the capital appreciation realized by the scheme. Thus, a mutual fund can be called the most suitable investment for the common targets.



However, Mutual Fund investments aren't free of risk. Investing in Mutual Funds contains a similar risk as investing within the markets, the sole difference being that thanks to the professional management of funds the controllable risks are substantially reduced. the only risk that can be considered an important risk involved in mutual fund investments is market risk. However, the corporate-specific risks are largely eliminated thanks to professional fund management.

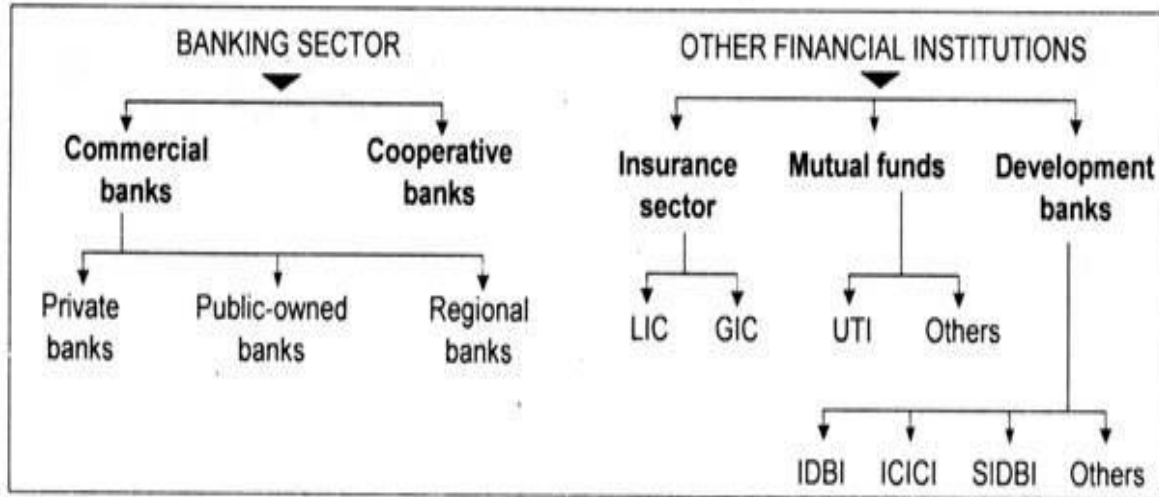


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<sup>3</sup> BSE INDIA & HANDBOOK OF STATISTICS ON INDIAN ECONOMY, RBI, NI RESEARCH, PERIOD: 31 MARCH 2005 TO MARCH 2020. | \*FOR MF EQUITY AVG RETURN OF TOP 20 FUNDS AS ON 31ST AUG. 2020.

## Financial Services Sector in India

India economy has a diversified financial sector which has seen huge growth in recent years in terms of new firms entering the market as well as in existing financial services firm.



The banking regulator has allowed new firms such as payment banks to be created recently in the Indian economy, which has added to the type of entities/firms operating in the sector. However, the financial sector in India is predominantly a banking service with commercial banks accounting for more than 64% of the total assets held by the financial system.

The Government of India and the Reserve Bank of India (Central Bank) have introduced several reforms to liberalize, regulate and enhance this industry to boost the economy. Various schemes include launching Credit Guarantee Fund Scheme for MSMEs, publishing various guidelines to banks regarding collateral requirements, and setting up a Micro Units Development and Refinance Agency (MUDRA). They have taken various measures to facilitate easy access to finance for Micro, Small, and Medium Enterprises (MSMEs). With a combined push by Government and private sector, India is undoubtedly one of the world's most vibrant capital markets.<sup>4</sup>

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• <sup>4</sup> <https://www.ibef.org/industry/financial-services-india.aspx>

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**Sectors with Which Financial Services\* Companies Worldwide Are Planning to Collaborate, June 2019**  
*% of respondents*

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**Financial services**



**A fintech firm**



**Technology, media & telecommunications**



**Retail**



**Healthcare**



**Energy (including oil & gas)**



**Hospitality & leisure**



**Transportation & logistics**



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*Note: n=135; \*among those who plan on creating new strategic alliance, joint venture or merging/collaborating to drive growth in fintech*  
*Source: PwC, "Global Fintech Report 2019," Dec 11, 2019*

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www.eMarketer.com

Another crucial component of India's financial industry is the insurance industry. The insurance industry has been expanding at a fast pace. The total first-year premium of life insurance companies reached Rs. 2.59 lakh crore (US\$ 36.73 billion) in FY20. Fundraising from the equity market grew by 116% to Rs. 1.78 lakh crore in Initial public offering (IPOs), Offer for Sale (OFS), and other market issuances in 2020. In FY20, the number of listed companies on the NSE and the BSE were 1,795 and 5,377, respectively.

India is today one of the most vibrant global economies on the back of robust banking and insurance sectors. The relaxation of foreign investment rules has received a positive response from the insurance sector, with many companies announcing plans to increase their stakes in joint ventures with Indian companies. Over the coming quarters, there could be a series of joint venture deals between global insurance giants and local players.

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.

## **Recent News and Government Initiatives in Financial Services Sector**

- The government has approved 100% FDI for insurance intermediaries and increased FDI limit in the insurance sector to 74% from 49% under the Union Budget 2021-22.
- As of January 2021, Assets under Management (AUM) managed by the mutual funds industry stood at Rs. 32.29 lakh crore (US\$ 438.27 billion). Inflow in India's mutual fund schemes via the Systematic Investment Plan (SIP) route reached Rs. 82,453 crores (US\$ 11.70 billion) in 2019. Equity mutual funds registered a net inflow of Rs. 8.04 trillion (US\$ 114.06 billion) by end of December 2019.
- In November 2020, two MoUs were signed—one between India International Exchange (India INX) and Luxembourg Stock Exchange and another between State Bank of India and Luxembourg Stock Exchange for cooperation in financial services, ESG (environmental, social and governance) and green finance in the local market.<sup>5</sup>

## **Working of NJ Group**

NJ Group follows business to business model and is divided into various divisions for providing training and support to its advisors or partners as well as making its process efficient and easy for its employees.

In 2003 it started its own dedicated channel aiming to provide independent financial advisors or IFA's with a complete business platform. NJ started expanding its business by incorporating advisors as partners where they would sell its products and NJ would render support and services which overall would create considerable value for business.

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<sup>5</sup> <https://rbi.org.in/Scripts/Statistics.aspx>

## **Porters five model of the Asset management business industry**

### **Intensity of Rivalry among Existing Competitors- High**

There is high level of competition among existing competing firms. The competition is equally balanced between various levels of AUM and doesn't allow one or two firms to have a total control over Mutual fund Industry.

### **Threat of new entry – Medium**

There is certain level of restriction due to regulatory requirement by SEBI for entering into asset management business but have low startup cost which made threat of new entry between high and low.

### **Threat of substitutes- High**

There are various substitutes for mutual fund products like fixed deposit, self-investments in real estate, gold and equity, life insurance etc. This concludes a high threat of substitutes of the mutual fund products.

### **Bargaining Power of suppliers- Moderately High**

Traders are actual person or group who trade in the markets and are responsible for returns on funds invested as equity and debt. Traders generally put pressure on company for premium in return to high returns compared to competitors.

### **Bargaining Power of Buyers- Moderately**

Most of the buyers are located in big cities. There is lack of awareness in buyers in small cities and rural areas regarding investment in financial products, especially regarding mutual funds. Most of retail sales are contributed by HNIs and Corporate houses which makes the competition little tough.

## **SWOT analysis of NJ Group**

### **Strength-**

- They have been in the industry for more than 26 years.
- They are one of the biggest national distributor company.
- They have client base of more than 40000+ partners and more than 1 lakh crore AUM.
- They have better technological support as their clients can access their progress and overall report through their portal which can be easily accessed through internet.

### **Weakness-**

- They still lack the presence in many tiers 3 and rural areas.
- They lack in keeping proper record of its many employees' work.

### **Opportunity-**

- Mutual fund industry is growing rapidly and has high potential of growing further
- Asset management market is also growing as people have increased pace of investing in such markets.

### **Threats-**

- With growth of industry, there is sudden increase in level of competition
- Established firm in other business are entering this industry as well as threat from banking industry.

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## Part II

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### **Role and expected contribution to Company**

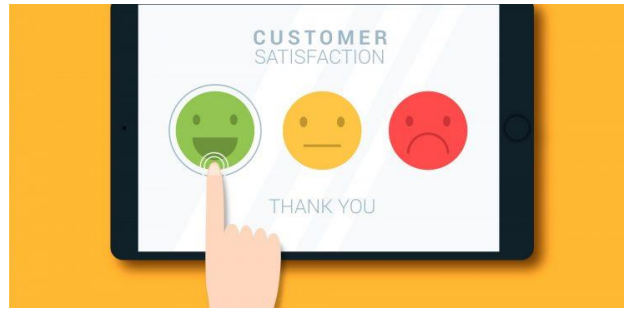
**Client Acquisition and Partnering:** - I have to convince prospective clients to become partners with the company. I have already contacted more than 2000 people to convince them to become a partner. I got to learn about how to have a conversation with prospective clients and ways to convince people. We also have to ensure people who are interested to become partners can fulfil all of the requirements. I also have to ensure the interested individuals are not facing any problems while fulfilling the requirement.



**Motivating Prospective clients:** - I have to enquire and motivate people to attend the session by our company's Regional Manager. I also have to ensure too able to arrange prospective client meetings with my senior. I have contacted more than 1000 people to convince people to attend the session by our company's regional manager where they got to know about the product and company from him/her. Since they are more experienced than us this increases the chances of converting prospective clients to partners and the rest of the work is done by us after the session.

**Feedback from clients:** - I have to take detailed feedback from clients regarding their opinion on the session and meet. I have to ensure to take feedback from every prospective client who attended the session from my side and report it to the supervisors.





**Data Research:** - I have to research data of prospective clients who may become a partner of the company. I have to ensure the data collected have high chances of converting prospective clients to partners as it will save time as well as make the process more efficient like contact numbers and details of individuals who are insurance or LIC agent as they have a high chance of conversion as they are doing business in a similar industry and may have similar customers.

**Report making:** - I have to make a report containing data of details of prospective clients and record their response when contacted them. I have to prepare excel where I have record data of all people, I contacted with their contact number and the response and status of each individual, and the date when I contacted them.



## **Suggestions**

NJ Group should focus on providing more concrete data of prospective individuals whom interns and employees may connect through calls or meet. This would increase the chances of conversion in making them our partner.

Company should invest in software that would assist employees while connecting to prospective clients as it would automatically dial the next number after the end of the previous call. This would help to save employee time and remove unnecessary work by automating the process and also help in keeping track of employee's work.

Company should also launch a nationwide drive with help of a marketing team where they should promote and encourage people to become the partner of a company by explaining benefits it.

Company should also focus on encouraging people towards mutual funds which is their main product through marketing activities as it directly will impact its Total AUM as well.

Company should also focus on investing in various areas to improve service so as to attract independent financial advisors to join them.

Company should also improve the experience of interns in the company by developing a schedule or program which accumulates job role, expectation and record of the task, etc. for the allotted time duration to make this process more efficient.

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## Part III

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### **Learning from the Summer Internship project**

- I got to learn a lot about various financial products and their market opportunity. I especially got an opportunity to know more about the mutual fund industry.
- I was able to grow in the context of interpersonal communication with respect to business dealings and was able to interact with various types of individuals who belonged to various professions which would help me in my future career.
- I also got to learn about skills and ways to interact and convince prospective clients to benefit the business.
- I learned to apply certain skills and knowledge to benefit my project which was in a field in which I wasn't the sharpest. (Applying knowledge of finance in marketing).
- I got a lot of practice on data searching and managing and keeping track of it.
- I was able to utilize various concepts, techniques, and skills I learned. Use of porters five models to understand industry better (I have used it and mentioned it above)

### **Conclusion**

The overall experience of the summer internship Program was satisfactory. I got to learn a lot from this internship in the field of finance and marketing. The experience and learning from this internship would not only help me in my future career but also help me to manage my finances with respect to investments.

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