

Summer internship project report

On

A Study on Mutual funds & Life Insurance Products of Bajaj capital LTD

By

Sanyam Mehta

2019BBA025



INSTITUTE OF MANAGEMENT

JK LAKSHMIPAT UNIVERSITY

JAIPUR

2020-2021

Under the supervision of

Corporate Guide:

Nitin Ambardar

**Industry mentor)
Bajaj Capital LTD**

Faculty Guide:

DR. Punam Mishra

**Professor (Marketing)
JK Lakshmipat University**

(Submitted in partial fulfilment of the requirements for BBA degree)

Certificate



Bajaj Capital Limited

[CIN: IN07120DL1965PLC004330]
Registered Office: Mezzanine Floor, Bajaj House, 97,
Nehru Place, New Delhi - 110019, India
Correspondence Address: Novus Tower, 1st Floor
(East wing), Plot No. 18, Sector-18, Gurugram, Haryana 122015
email: info@bajajcapital.com
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Date : 9th September 2021

TO WHOM SO EVER IT MAY CONCERN

This is to certify that **Mr Sanyam Mehta** student of **JK Lakshmipat University** has successfully completed the Internship in our Organization at Gurugram-Corporate office (Virtual Mode) from **16th June to 24th August 2021**.

The scope of project was:

"A Study on mutual funds and life Insurance Products"

The WP Intern undertook his/her training with dedication & sincerity.

We wish him/her all the best for future endeavour.

With Regards,

For Bajaj Capital Limited.

Nitin Ambardar

Associate Vice President - TDA

Email : n@na@bajajcapital.com

SEBI Registration No: Merchant Banker (INM000010544), DP (DP-IN-DP-NSDL-267-2006), BSE - Equity (IN2000007732)
PFRDA Registration No: 12032016

Over 150 offices nationwide | Serving 10,000 investors | Since 1965
74Times recipient of CNBC TV18 Best Financial Services award (Beta) including 2017/18
Great Place To Work 2012 | The Economic Times Best BFSI Brands 2016

*For any of related grievance

www.bajajcapital.com

Certificate

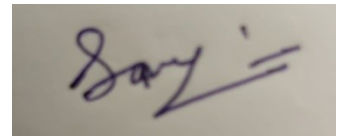
This is to certify that the Summer Internship Report titled “A Study on Mutual funds & Life Insurance Products of Bajaj capital LTD” submitted by Mr. Sanyam Mehta is an original piece of research work carried out by the candidate under my supervision.



(Dr. PUNAM MISHRA)

DECLARATION

I **Sanyam Mehta** solemnly declare that the project report is truly based on my own work carried out during our study under the supervision of **Nitin Ambardar (Industry mentor) & Dr. Punam Mishra (Faculty mentor)** and has not been previously submitted to any other University, College, and Organization for any academic Qualification, Certificate and Degree.



Sanyam Mehta
2019BBA025
Institute of Management
JK Lakshmipat University, Jaipur

Acknowledgement

An internship report is a result not only of the student who prepared it, but also the combine effort of the faculty guide, staff, and members of the institute where the project is done and most importantly the advisor who gives the final touch. On the successful completion of my internship,

I would like to express my heartfelt gratitude to the people without whose help and kind cooperation this work would not have been possible.

First and foremost, I want to thank GOD for blessings with which i was able to complete my work without any difficulty.

I would express my deep sense of gratitude to esteemed **Mr. Nitin Ambardar Project Mentor, Associate Vice President | TDA (Bajaj Capital LTD., Gurugram)** for permitting me to work as trainee in the esteemed organisation. I also wish to thank for his guidance and cooperation during the training.

I would like to express my sincere gratitude towards my faculty guide, **Dr Punam Mishra** for guiding me throughout the internship and providing me constant moral support in valuable feedback. I have deep admiration for my teachers at **JK Lakshmipat University** continue to inspire me.

Last but not the least love, care and support of parents, sibling and friends is indeed valuable.

finally, I thank to one and all, who helped me directly or indirectly in completing the internship.

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Summary of Project

In today's corporate and competitive world, I find that insurance & Mutual Fund sector has the maximum growth and potential as compared to the Other sectors. Insurance has the maximum growth rate of 70-80% while as FMCG sector has maximum 12-15% of growth rate. This growth potential attracts me to enter in this sector and Bajaj Capital has given me the opportunity to work and get experience in highly competitive and enhancing sector.

My project was to understand the different Insurance & Mutual Fund Product offered by the Company, namely, Bajaj Capital to increase their market share and to achieve Its own target to attain the zenith of its respective sector.

My SIP has helped me in learning a lot of things about the corporate world. As a Project trainee I was required to understand the behaviour of the consumer to manipulate the market and gain an advantage in the competitive scenario. I also learned to develop the agency channel and how to create business Opportunities. This helped me to know the issues of the competitive market and Also helped me enhance my communication and convincing skills.

Understanding the ground reality of marketing is like stars in the eyes of every Management Professional, & this experience becomes more profound when the Inception is with a pioneer like Bajaj Capital. During the two months Summer Project with Bajaj Capital had a very nice Corporate World Exposure, which I Think will serve as a steppingstone for me in my corporate journey. Insurance Plan (ULIP) and Mutual Fund (MF) are the two most Preferred options for a part time investor to invest into equity. But how do we Decide which one should we go for. Though it is very easy to decide, people tend to Confuse themselves most of the time. This Report talks about some points that you Need to consider while deciding which option we want to take.

Company overview

Bajaj Capital Ltd is one of India's leading Financial Service Companies Offering Free Advice on Investments, Insurance, Tax Saving, Retirement Planning, Financial Planning, Children's Future Planning and Other Services. They also have a wide range of products and services for Corporates, High Net worth Individuals, And NRI's. Over Five Decades Now, Bajaj Capital Have been Helping millions of investors reach their financial goals, and live Satisfying Life's.



History

- 1964: Bajaj Capital sets up its first Investment Centre in New Delhi to guide individual investors on where, when, and how to invest India's first Mutual Fund.
- 1965: They were the first to innovate the companies Fixed Deposit & today, we are playing an active role in the growth of the Indian Mutual Fund industry.
- 2008: Bajaj Capital launches just Trade, an online Platform for investing in Equities, Mutual Funds, IPO's (Initial Public Offering)
- 2020: Launch NPS Portfolio Management Dashboard. To track the investment at one place.

Mission

Bajaj Capital aims to be the most useful, reliable, and efficient provider of Financial Services. It is our Continuous endeavour to be a trustworthy advisor to our clients, helping them achieve their financial goals.

Vision

To be the most preferred financial planning and investment advisory company in India by providing consumers with informed choices of lasting value, create wealth for them to make their tomorrow better than today.

Goals / Aim

- To Serve their Clients With utmost dedication & integrity so that they can exceed their expectations and build enduring relationships.
- To always give honest & unbiased financial solutions & earn their client's everlasting trust.
- To build an amicable environment that accords respect to every individual and permits their personal growth.
- To utilize the power of teamwork to function as a family & build a seamless organization.

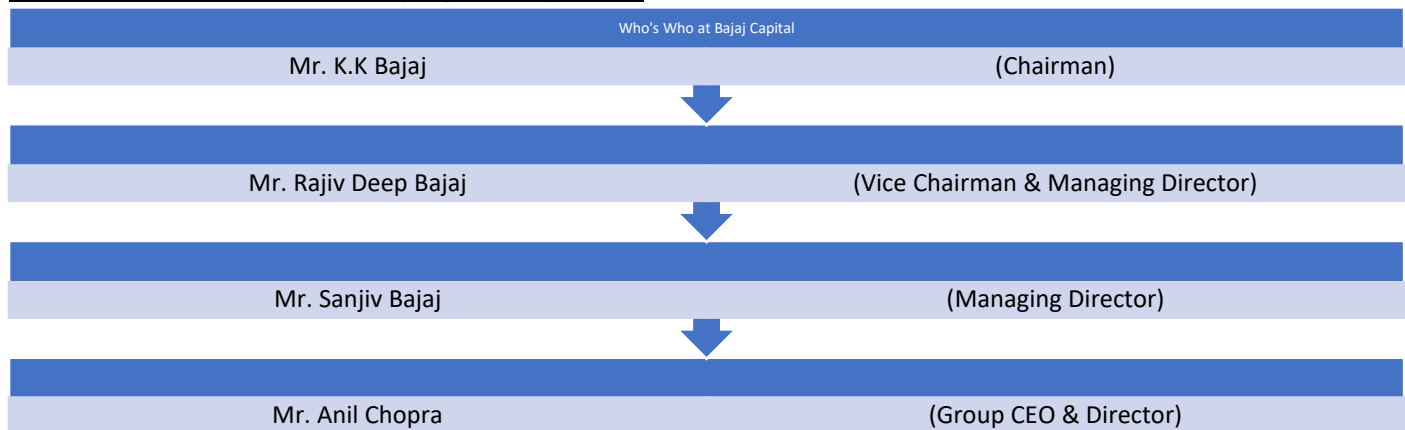
Services Offered by Bajaj Capital

- ✓ Mutual Funds – Create long term wealth
- ✓ Fixed Deposits – Earn fixed interest
- ✓ Bonds – Invest in bonds
- ✓ Insurance – Your protection
- ✓ Real Estate – Buy & Sell Property

Other Business of Bajaj Group

- ❖ Bajaj Auto Ltd
- ❖ Baja Electricals Ltd
- ❖ Mukand Ltd
- ❖ Bajaj Financial Solutions Ltd., ...

Who's who at Bajaj Capital



SWOT Analysis

Strength

- Well Defined Web portal
- Strong, trusted Staff
- Mainly known for MF & Fixed Deposit
- Excellent Customer Services
- Huge Range of products

Weaknesses

- Less Penetration in rural areas
- Lack of awareness
- People with Conservation mindsets prefer gold & Silver Investment

Threats

- Stringent Economy measures by Government & RBI
- New Competitors entering the market.
- Slowdown of economy

Opportunities

- New Ways to Encourage Customers
- Create Custom Programs for Local Customers
- Buy Out Small Competition

Project objective & Methodology

- To Study Mutual Funds & Life Insurance.
- To Understand Various Products Offered by Company & Financial Rules.
- To Understand online process of how to invest in Mutual Funds & Insurance.

RESEARCH METHODOLOGY

Research methodology is a methodology for collecting all sorts of information & data pertaining to the subject in report. The objective is to examine all the issues involved & conducted situation analysis.

RESEARCH DESIGN

Descriptive research design has been considered as a suitable methodology for present study and for data analysis.

TOOLS OF DATA COLLECTION

For Completion of report Secondary data is been used on large scale and collected:

- From the people we interacted about MF & insurance, HR manager, Industry guide and official Website.

PLAN OF ACTION

- **Sample Unit:** The one with whom we talked to invest and tried to make them customer, the management, and the employees (staff) of the organisation.
- **Sample Size:** 40 people.
- **Method:** Survey through questionnaire and as well as mock interview method.

To Fulfil the objective, I prepared sessions under the guidance of my industry and faculty mentor and surveyed more than 200 people in Different Segment of investment.

Data collected from session is analysed and used in different ways to interpretate better.

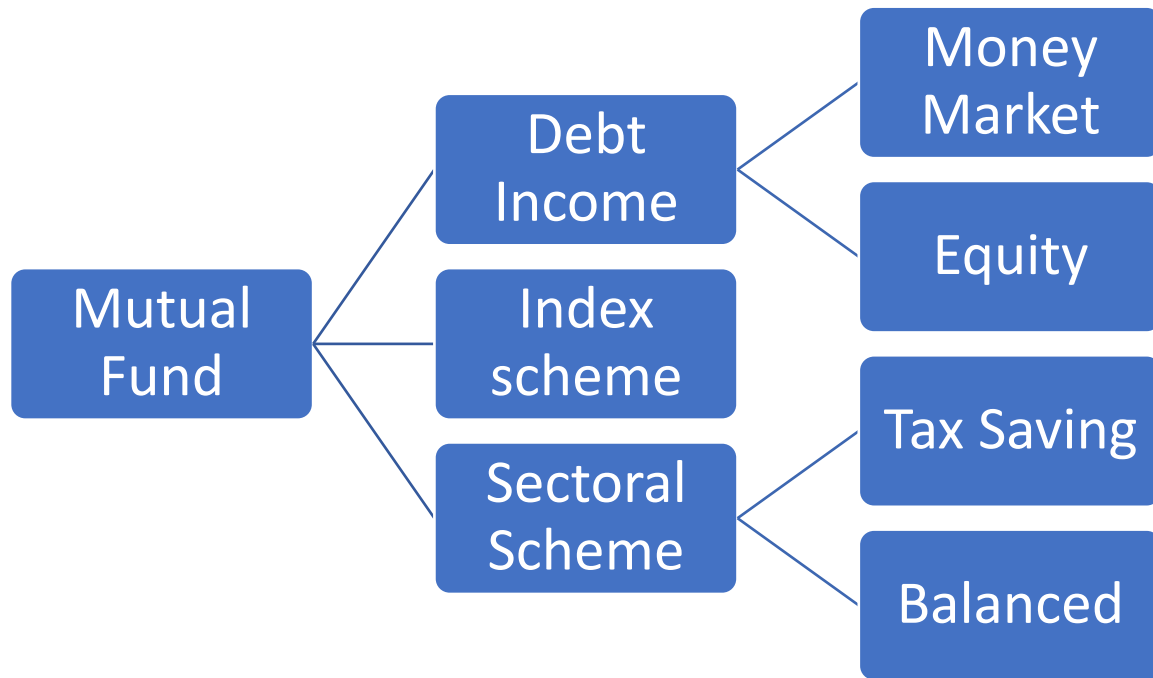
Mutual Funds

1. What is Mutual Fund?

Mutual Fund is a collective investment vehicle formed with the specific objective of raising money from many Individuals and investing it according to a prespecified objective. The word Mutual in Mutual Fund signifies a vehicle wherein the benefits of Investment accrued pro rata to all the investors in proportion to their Investments. Over the past decades Mutual Funds have grown intensely in popularity and have experienced a considerable growth rate. Mutual Funds are popular because they make it easy for small investors to invest their money in a diversified pool of securities. As the Mutual Fund industry has evolved over the years.



Three Categories of Mutual Funds



As important mutual fund schemes under mentioned three categories based on their tenure on maturity period of mutual fund investment:

- **Open-Ended** - As this scheme allows investors to buy or sell units at any time. So, such fund does not have fixed maturity date.
- **Debt/Income** - Under this schemes fund must invest in the fixed income instrument or schemes like debentures or bond, government securities or other debt instruments. Such schemes, a major part of the investable fund is channelized towards debentures, government securities, and other debt instruments. Further, such fund has got fixed income and such funds have low risk as compared investment in equity fund.
- **Money Market/ Liquid** - Some investors have thing to grab opportunity in the short period. Such investors have surplus funds they must make investment in the

money market to get opportunity looking to utilize their surplus funds in short term instruments. It is possible that to get maximum return in short period.

- **Equity/ Growth** - As proverb in English like that high risk, high return. Those investors to think in respect to maximize return. They offered risky investment like equities mutual fund. As possible appreciation capital and get more return in coming future.
- **Index Scheme** - Now new engineering in the capital market various schemes must come in market it is one of the index schemes. However, most schemes of mutual firstly come in the foreign capital market and same concepts in Indian capital market apply for the grab various opportunity indices like Nifty, Sensex, etc.
- **Sectoral Scheme** - As diversification fund must invest in different sector. As result sectors funds investment, it may possible risk averse and get more return. This scheme provides a relatively high risk-high return opportunity within the equity space. Sectors are such as invested in a specific sector like pharmaceuticals, infrastructure, IT or other, etc. or money market segments of the capital market like large caps, mid-caps, etc.
- **Tax Saving** - Some investors turn towards invest in mutual fund as a twice object like one is tax saving and another to earn some return on investment. As result of these investors has got good opportunity to earn income. Such fund has lock in period 3 years. Tax saving mutual funds called Equity Linked Savings Schemes (ELSS).
- **Balanced** - Under This scheme the funds invest in equity growth fund as well as debt fund. So, the opportunity of market can be avail by the investors. While funds offer such schemes at that time all information well in advance given in the offer's documents.
- **Closed ended** - In India, this type of scheme has contrary of open-ended fund. In these scheme investors have bought or made investment in the initial period and has maturing period. As initial launch period known as the NFO (New Fund Offer) period.

2. Benefits of Mutual Funds.

An investor can invest directly in individual securities or indirectly through a financial intermediary or professional expert. Globally, mutual funds have established themselves as the means of investment for the retail investor.

- **Professional management:** Generally, the process of investment in capital market is very critical. Hence, need of expert or to hire the services of expert. A further investor does not have the knowledge at stock market. They need assist expert or hire the expert. However, while investor must make investment under mutual fund, at such time the expert of professional to take care while to make investment. Moreover, to hire the services of an expert but it is more difficult to identify a real expert. Professional managers have requisite skills and experience to analyze the performance and potential growth of companies.
- **Portfolio diversification:** As minimize of risk of the fund, that funds must be make diversification of various sectors. As result of these investors has get more return and fund become safe. Diversification reduces the riskiness of the investments.
- **Reduction in transaction costs:** While investors must make directly investments in shares market at that time, they have to requires paying more cost. As compared to make an investment in the mutual fund.
- **Liquidity:** When investors to sell or redemption the mutual fund unit. They can easily encase their investment. As compared to direct investment in share market.
- **Convenience:** Investing in mutual fund reduces paperwork, saves time, and makes investment easy.
- **Flexibility:** Under Mutual funds invest in various schemes that funds have transferred one funds to another as desired by investor. So, as get more benefits to the shareholders.
- **Tax benefits:** Under the mutual funds it is income earn though dividend and interest it is exempt from income tax and TDS of the Income Tax Act.

- **Transparency:** As provided in the SEBI guidelines to provide all information and declare all information. All the concern must get clear information for investment decision and so on.
- **Stability to the stock market:** Amount investment in mutual fund that investment in stock market and money market. It is fluctuation continues in stock market it is effect of some extent on invested mutual fund, but it is result both positive and negative. Moreover, the funds have handled by professional expert they can absorb any losses in the stock market and continue investment. In addition, they get more liquidity.
- **Equity research:** As more professional's expert have to continue doing work in mutual fund industry. They continue probe in era of investment. They actual have research information and those benefits had to get AMC.

3. Major Mutual Funds houses and their AUM (Asset Under management)

Mutual Funds	AUM (In Crores)
<u>ICICI Prudential Mutual Fund</u>	310,166
<u>HDFC Mutual Fund</u>	306,841
<u>Aditya Birla Sun Life Mutual Fund</u>	249,270
<u>Reliance Mutual Fund</u>	240,445
<u>SBI Mutual Fund</u>	233,114
<u>UTI Mutual Fund</u>	153,183
<u>Kotak Mahindra Mutual Fund</u>	127,635
<u>Franklin Templeton Mutual Fund</u>	104,416
<u>DSP BlackRock Mutual Fund</u>	89,404
<u>Axis Mutual Fund</u>	79,201
<u>L&T Mutual Fund</u>	71,118
<u>IDFC Mutual Fund</u>	69,591
<u>Tata Mutual Fund</u>	49,221
<u>Sundaram Mutual Fund</u>	32,789
<u>Invesco Mutual Fund</u>	24,919
<u>DHFL Pramerica Mutual Fund</u>	23,137
<u>LIC Mutual Fund</u>	20,411
<u>Motilal Oswal Mutual Fund</u>	19,264
<u>Mirae Asset Mutual Fund</u>	19,178
<u>Canara Robeco Mutual Fund</u>	13,334

Mutual Funds	AUM (In Crores)
<u>Edelweiss Mutual Fund</u>	12,502
<u>Baroda Pioneer Mutual Fund</u>	12,240
<u>JM Financial Mutual Fund</u>	12,073
<u>HSBC Mutual Fund</u>	10,622
<u>IDBI Mutual Fund</u>	10,540
<u>BNP Paribas Mutual Fund</u>	8,060
<u>Indiabulls Mutual Fund</u>	7,992
<u>PRINCIPAL Mutual Fund</u>	7,418
<u>BOI AXA Mutual Fund</u>	5,692
<u>Union Mutual Fund</u>	4,433
<u>Mahindra Mutual Fund</u>	3,961
<u>Essel Mutual Fund</u>	1,790
<u>IIFL Mutual Fund</u>	1,257
<u>Quantum Mutual Fund</u>	1,209
<u>PPFAS Mutual Fund</u>	1,099
<u>Taurus Mutual Fund</u>	452
<u>Sahara Mutual Fund</u>	59
<u>Shriram Mutual Fund</u>	47
Total	2,338,082

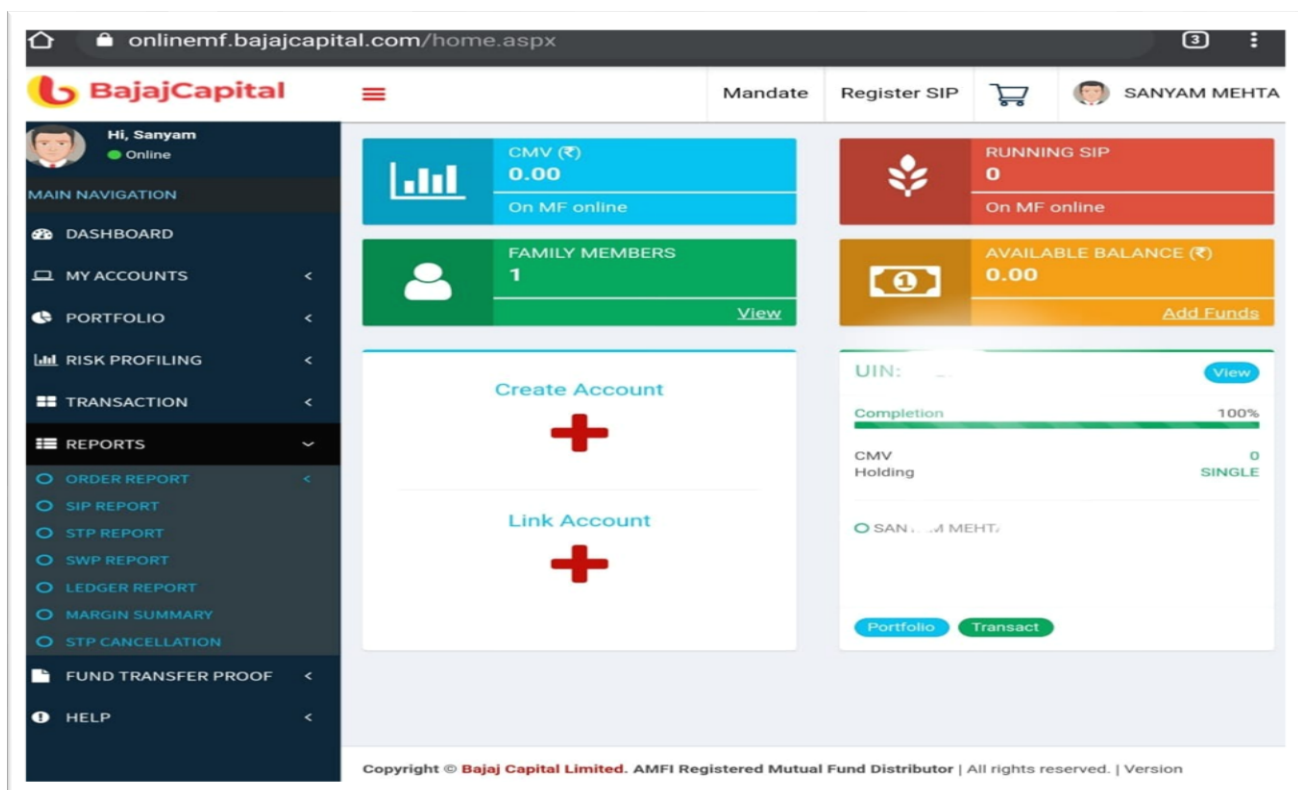
4. Top Schemes of Mutual Funds 2021

	Performance as on 16th July 20	Product Category
S.No	MF Scheme name	Fund Type (as per CRISIL)
1	Aditya Birla Sun Life Frontline Equity Fund - Reg - Growth	Pure Large Cap
2	Axis Bluechip Fund - Growth	Pure Large Cap
3	Mirae Asset Large Cap Fund - Reg - Growth	Pure Large Cap
4	ICICI Prudential Bluechip Fund - Growth	Pure Large Cap
5	Mirae Asset Emerging Bluechip Fund - Growth	Large & Mid cap
6	Axis Midcap Fund - Growth	Mid Cap fund
7	DSP Midcap Fund - Reg - Growth	Mid Cap fund
8	HDFC Mid-Cap Opportunities Fund - Growth	Mid Cap fund
9	SBI Small Cap Fund - Growth	Small cap fund
10	Axis Small Cap Fund - Reg - Growth	Small cap fund
11	Nippon India Small Cap Fund - Growth	Small cap fund
12	Axis Long Term Equity Fund - Growth	ELSS
13	Mirae Asset Tax Saver Fund - Reg - Growth	ELSS
14	Aditya Birla Sun Life Tax Relief 96 - Growth	ELSS
15	ICICI Prudential Banking and Financial Services Fund - Reg - Growth	Sectoral - Banking
16	Nippon India Pharma Fund - Growth	Sectoral- Pharma
17	SBI Equity Hybrid Fund - Growth	Aggressive hybrid fund
18	Franklin India Feeder - Franklin U.S. Opportunities Fund - Reg - Growth	FOF- International funds

5. How Beginner Start Process for registering a KYC & MF SIP on our MF Bajaj Portal.

- Sign on to onlinemf.bajajcapital.com
- Using Mail id or Mobile number
- Click on Create Account and CVLKRA KYC Web Page will Directly open.
- fill all the personal details and Upload Bank Details
- Upload scanned JPEG of Documents (Aadhar & Pan Card)
- Show front side & back side of both your ID Proof & Address Proof- Pan card & Aadhar card very clearly on camera You have to say OTP number also in that time window of 15 seconds Say the number on the screen. Show your face clearly, it should not be half face or hidden behind the Documents. Now once we submit this report of KYC, the same data of PAN need to be shared immediately with TLs & this data is shared with team at HO. They will do the IPV (In person verification) of the video, if they found any error/ default/ face not clear- they will put this case on hold & an email will be received by client to re-initiate the process again. If all is found okay by them, so on 2nd day itself, they will share these details with CVL KRA team & they should register the KYC in next 4 to 5 days.
- Once the UIN of account is made, account will be activated within max.24 hours or before that.
- Then Client must register E- Mandate which hardly takes 1 or max 2 days.
- After E- Mandate is registered, then client can register his SIP online by choosing his SIP as decided.

6. Why SIP (Features of SIP)



Features Of SIP



Enquire Now

 www.prosperomoney.net

 +91 8080303360

MUTUAL FUND INVESTMENTS ARE SUBJECT TO MARKET RISKS. PLEASE READ ALL SCHEME RELATED DOCUMENTS CAREFULLY.

Systematic Investment plan (SIP) is a tool that allows us to invest in mutual funds through small, periodic installments.

SIPs help us set aside a fixed amount every month for investment thus contributing towards your goals. For investment purpose, we often wait to collect a large amount of money and invest it all at once. Through SIP we can start with small amount monthly and create wealth over the long term.

Insurance

1) What is Insurance?

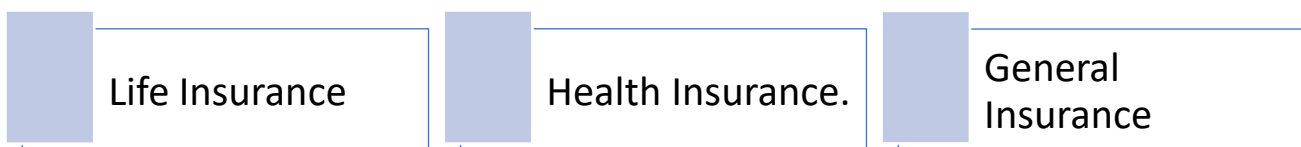
Insurance industry is a booming sector. The business of insurance is related to the protection of the economic value of asset. Every asset has a value. The asset would have been created through the efforts of the owner, in the expectation that, either through the income generated there from or some other output, some of his needs would be met. There is a normally expected lifetime for the asset during which time it is expected to perform Insurance is a mechanism that helps to reduce such as adverse consequences. insurance is a means of protection from financial loss. It is a form of risk management, primarily used to hedge against the risk of a contingent or uncertain loss. An entity which provides insurance is known as an insurer. To get insurance an individual or an organization can approach to Insurance Company directly, through Insurance agent of the concerned company or through intermediaries.

Basic aim of the insurance plan satisfies the following objectives:

- Protection of economic value of assets.
- Mechanism to reduce impact of adverse events on value generating assets.

2) Types of insurance

Insurance is generally classified into three main categories:



Life Insurance

life insurance is an insurance against the loss of a life. Whereas a general insurance is an insurance that protects against more general things. To add to the confusion, there are also a variety of different products that fall under the category of life insurance or general insurance. Life insurance is a type of insurance that insures against the loss of life. Most types of life insurance work on a similar notion, even if their details might be different. Here, the life of a person, typically called the insured, is protected against loss. This means that when that person will die, the insuring company will pay an agreed amount to the person's family to help them with financial difficulties that may arise after the person's death. To avail this sum, the insured must pay a premium to the insuring company through their lifetime, or for the duration specified in the policy.

Health Insurance

Health insurance policy gives you access to the best medical care and treatment while being financially protected. In case of a health emergency, your Mediclaim health care policy guarantees peace of mind and ensures that you and your family are protected from medical expenses while receiving the best treatment at a hospital of your choice. Policyholders can avail multiple benefits like pre and post hospitalization expenses, cashless treatment, room rent, ambulance charges, and much more. The health insurance premium amount mainly depends on the sum insured amount as well as the number of members covered under the health insurance policy.

General Insurance

General insurance covers insurance of property against fire, burglary, theft.

personal insurance covering health, travel, and accidents; and

liability insurance covering legal liabilities.

This category of insurance virtually covers all forms of insurance except life. Other covers may include insurance against errors and omissions for professionals, credit insurance etc. Common forms of general insurance are motor, fire, home, marine, health, travel, accident, and other miscellaneous forms of non-life insurance. Unlike life insurance policies, the tenure of general insurance policies is normally not that of a lifetime. The usual term lasts for

the duration of a particular economic activity or for a given period. Most general insurance products are annual contracts. There are, however, a few products which have a long term.

3) Functions of Insurance

- a) Primary Functions
- b) Secondary Functions
- c) Other Functions

primary functions of insurance include the following:

- **Provide Protection** - The primary function of insurance is to provide protection against future risk, accidents, and uncertainty. Insurance cannot check the happening of the risk but can certainly provide for the losses of risk. Insurance is a protection against economic loss, by sharing the risk with others.
- **Collective bearing of risk** - Insurance is a device to share the financial loss of few among many others. Insurance is a mean by which few losses are shared among larger number of people. All the insured contribute the premiums towards a fund and out of which the persons exposed to a particular risk is paid.
- **Assessment of risk** - Insurance determines the probable volume of risk by evaluating various factors that give rise to risk. Risk is the basis for determining the premium rate also.
- **Provide Certainty** - Insurance is a device, which helps to change from uncertainty to certainty. Insurance is device whereby the uncertain risks may be made more certain.

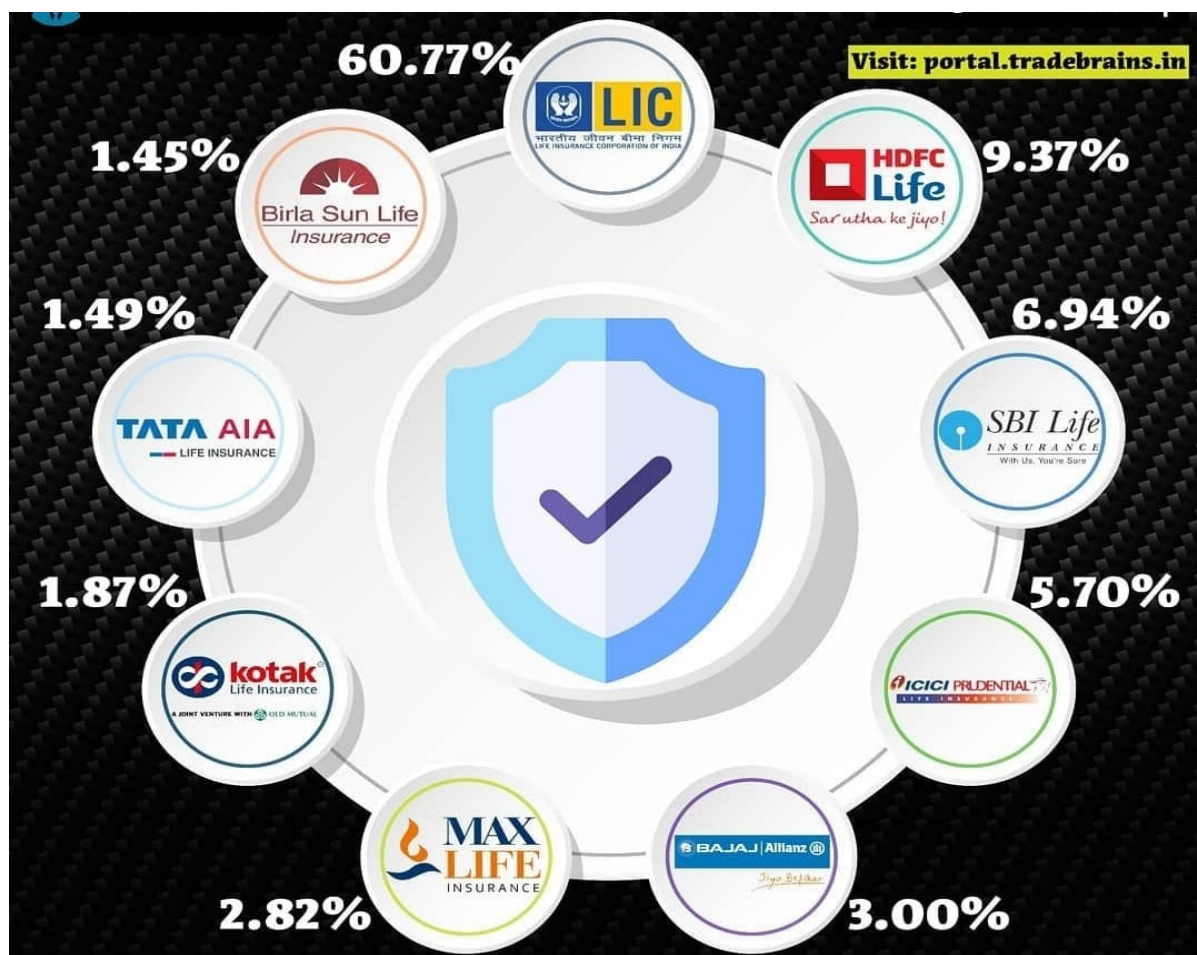
Secondary functions of insurance include the following:

- **Prevention of Losses** - Insurance cautions individuals and businessmen to adopt suitable device to prevent unfortunate consequences of risk by observing safety instructions: installation automatic sparkler or alarm systems, etc. Prevention of losses causes lesser payment to the assured by the insurer and this will encourage for more savings by way of premium. Reduced rate of premiums stimulates for more business and better protection to the insured. Small capital to cover larger risks and uncertainty.

Other functions of insurance include the following:

- **Means of savings and investment Insurance** - serves as savings and investment, insurance is a compulsory way of savings and it restricts the unnecessary expenses by the insured for the purpose of availing income-tax exemptions also, people invest in insurance.
- **Source of earning foreign exchange** - Insurance is an international business. The country can earn foreign exchange by way of issue of marine insurance policies and various other ways. Risk Free trade Insurance promotes exports insurance, which makes the foreign trade risk free with the help of different types of policies under marine insurance cover.

7. Major Incurrence houses and their AUM (Asset Under management)



Insurance Company	AUM (in Crore)	Market Share
LIC	30,70,852	60.77 %
HDFC Life	128173	9.37 %
SBI Life	162289	6.94 %
ICICI Prudential	152203	5.70 %
BAJAJ	56185	3.00 %
MAX Life	69109	2.82 %
KOTAK Life	34727	1.87 %
TATA AIA	31195	1.49 %
BIRLA Sun Life	41112	1.45 %
OTHER	-	6.59 %

Financial Rules

Some Personal Finance Rules we all should better

- ❖ Rule of 72 (Double Your Money)
- ❖ Rule of 70 (Inflation)
- ❖ 4% Withdrawal Rule
- ❖ 100 Minus Age Rule
- ❖ 10, 5, 3 Rule
- ❖ 50-30-20 Rule
- ❖ 3X Emergency Rule
- ❖ 40% EMI Rule
- ❖ Life Insurance Rule

A. Rule of 72.

No. of years required to double your money at a given rate, We just divide 72 by interest rate.

Ex, if you want to know how long it will take to double your money at 8% interest, divide 72 by 8 and get 9 years.

At 6% rate, it will take 12 years

At 9% rate, it will take 8 years

B. Rule of 70

Divide 70 by current inflation rate to know how fast the value of your investment will get reduced to half its present value.

Ex, Inflation rate of 7% will reduce the value of your money to half in 10 years.

C. 4% Rule for Financial Freedom

Corpus Required = 25 times of your estimated Annual Expenses.

Eg, if your annual expense after 50 years of age is 500,000 and you wish to take VRS then corpus with you required is 1.25 cr.

Put 50% of this into fixed income & 50% into equity.

Withdraw 4% every year, i.e., 5 lac.

This rule works for 96% of time in 30 years period

D. 100 minus your age rule

This rule is used for asset allocation. Subtract your age from 100 to find out, how much of your portfolio should be allocated to equities

Suppose your Age is 30 so $(100 - 30 = 70)$

Equity: 70%

Debt: 30%

But if your Age is 60 so $(100 - 60 = 40)$

Equity: 40%

Debt: 60%

E. 10-5-3 Rule

One should have reasonable returns expectations

10% Rate of return - Equity / Mutual Funds

5% - Debts (Fixed Deposits or Other Debt instruments)

3% - Savings Account

50-30-20 Rule - about allocation of income to expense

Divide your income into

50% - Needs (Groceries, Rent, Emi, etc.)

30% - Wants (Entertainment, Vacations, etc.)

20% - Savings (Equity, MFs, Debt, FD, etc.)

At least try to save 20% of your income.

You can save more

F. 3X Emergency Rule

Always put at least 3 times your monthly income in Emergency funds for emergencies such as Loss of employment, medical emergency, etc.

3 X Monthly Income

In fact, one can have around 6 X Monthly Income in liquid or near liquid assets to be on a safer side

G.40% EMI Rule

Never go beyond 40% of your income into EMIs.

Say you earn, 50,000 per month. So you should not have EMIs more than 20,000.

This Rule is generally used by Finance companies to provide loans. You can use it to manage your finances.

H. Life Insurance Rule

Always have Sum Assured as 20 times of your Annual Income

20 X Annual Income

Say you earn 5 Lacs annually; you Should at least have 1 crore insurance by following this Rule

Internship

❖ Training Module

- Basic of Life Insurance by Exide and HDFC.
- Basic of Health Insurance by Aditya Birla and Care Health.
- Basics of Mutual Fund by L&T, Aditya Birla, Kotak, Axis, HDFC, Franklin Templeton.
- Speech from Bajaj CEO Mr Anil Chopra

❖ Sales Module

In sales module company introduces Wealth Premier League (WPL)!!

For WPL: Each member needs to gain a minimum credit score of 5 Points.

SIP (Systematic Investment Plan) in Equity / Min-1000 Rs Sip i.e., 1000 = 1 Point

In which 4 Team participating with assigned Team Leaders.

1. Dare Devils 2. Terminator

3. Fast & Furious 4. White Sheep

After Joining WPL

- ❖ Emerging Star – Successful Completion
- ❖ Joshila Star – Rank 2 & Rank 3
- ❖ Rockstar Star – Individual Max point
- ❖ Achievers Club – Team with Maximum Points

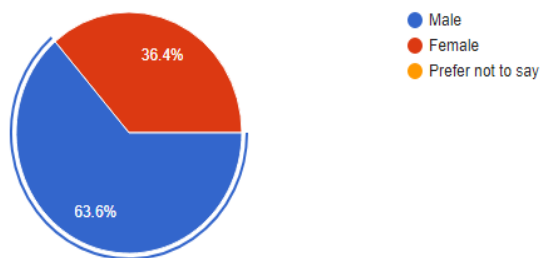
Scores

- ✓ SIP of 1000 & Above – To be entitled 1 point extra once a part of WPL.
- ✓ Lump Sum Equity Fund – Every 10,000 will carry a credit score of 1point.
- ✓ Lump Sum in Liquid Fund – Every 10,000 will carry a credit score of 1point.

Analysis & Results

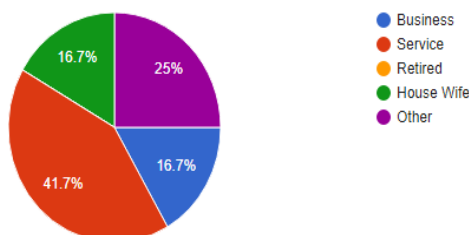
The roles and responsibilities as intern were not limited to make promotion strategies and sell the product but also to know how their customers are responding about their product. I have survey more than 150 potential Person by Google form as well mock so that I can have a ground report of customer satisfaction and tell the company about that.

1. Gender



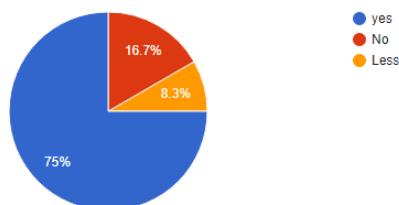
By Seeing the responses 63.6% of male and 36.4% of Female are interested.

2. Occupation



From the above, I have seen that 16.7% respondents have business, 41.7% respondents have service, 16.7% respondents are Housewife, and 16.7% respondents have some other occupation.

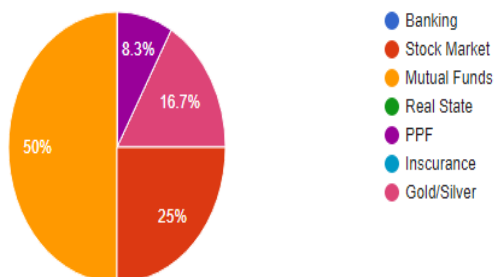
3. Do you Know what Mutual Funds & Insurance is?



Interpretation:

In this Corporate world more % of people know about financial market but the region they cant make profit is less knowledge and less interpretation skills.

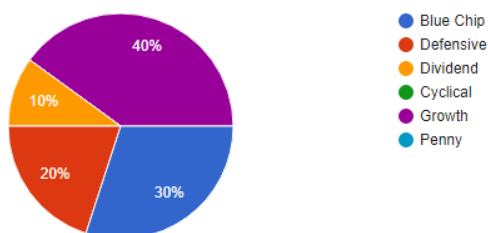
4. Which Sector gives Max. benefits?



Interpretation:

From the above graph and figure, we have seen that 16.7% respondents like to invest in gold, 25% respondents like to invest in stock market, 50% respondents like to invest in Mutual funds and 8.3% respondents like to invest in PPF respectively. So More % of people like invest in mutual funds.

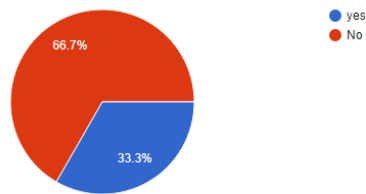
5. Which Type of Funds You are interested in?



Interpretation:

By watching most of responses and investors we can say that 40 % of people like growth stocks to invest in.

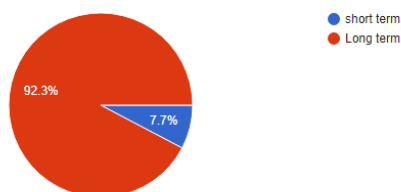
6. Is there a good future for new investors?



Interpretation:

By seeing graph and present market situation we can say that new investors have low change to maximize profit because market is on highly Unstable period.

7. What type of investment you prefer?



Interpretation:

By watching graph, we can say that long term investment is preferred by more people due to high returns rate, low risk.

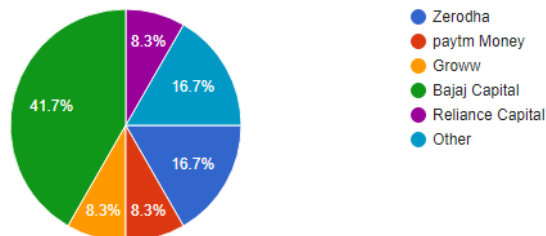
8. What are the factors you consider while investing?

Interpretation:

By Summarizing all the responses, the few points are

- Risk Factor
- Returns
- Company reputation
- Past records
- Growth rate
- Safety

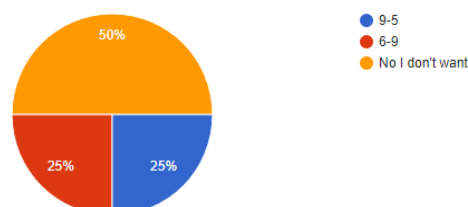
9. According to your which platform is best for mutual funds investment?



Interpretation:

From the above figure, we have seen that 41.7% respondents like Bajaj Capital due to their web interface which they provide, 8.3% Reliance Capital, 16.7% Zerodha, 8.3% by Paytm Money 8.3% by Groww respectively.

10. At what time our team can contact you to brief about our offerings



INTERPRETATION:

From the above figure we can say that half the people are not interested to know anything new.

Conclusion

After the successfully completion of my summer internship, I understood that market research is an important aspect for a company throughout the life cycle of a particular product. It helps in knowing the changing in trust, preference, lifestyle etc. of the consumer.

A mutual fund is the ideal investment vehicle for today's complex and modern financial scenario. Markets for equity shares, bonds, and other fixed income instruments, real estate, derivatives, and other assets have become mature and information driven. Today each person is fully aware of every kind of investment proposal. Everybody wants to invest money, which entitled of low risk, high returns, and easy redemption. In my opinion before investing in mutual funds, one should be fully aware of each and everything.

This internship has given me many skill and knowledge about how to deal with customers and engage them so that we can have an effective result, how to manage time & complete the given task within a time and the most important is thinking out of the box.

The greatest things that were learned during the internship was how to accomplish the task effectively, how to make best use of internet, how to use different tools to gain efficiency. How to talk with person so that can be converted into customer. Make them understand how the thing really works and can be managed easily without any hassle.

Findings

After Completing my internship there are the findings I have identified.

- Bajaj Capital working procedures and environment.
- Marketing Technique used by Bajaj capital.
- How to maximize our portfolio returns. (in mutual funds).
- Mutual fund is giving the best returns for long term investors.

Take Away & Recommendation

TAKE AWAY FROM THE INTERNSHIP

The following are my takeaways from the internship of 10 weeks from Bajaj Capital Ltd. We introduced to the organization & their HR department.

- There I was involved in various tasks and work related to Marketing departments.
- Did telephonic conversation with candidates who have intrusted in investing and guided them how to start investing.
- How 3rd party investment company make profit.
- Learned how the price of stock grow.
- Various points to keep in mind before choosing any investment.
- The main and the last task was to bring at list 5 new customers of Mutual fund & 5 of insurance and start their process of kyc and on board them on Bajaj capital portal and send details to TL.

Recommendations

- ✓ Company should try to reduce fund charges, administration charges and other charges which help to invest more funds in the mutual fund and earn good returns.
- ✓ The expectation of the people from the mutual funds is high. So, the portfolio of the fund should be prepared taking into consideration the expectations of the people.
- ✓ Different campaigns should be launched to educate people regarding mutual funds.
- ✓ Companies should give regular dividends as it depicts profitability.
- ✓ Companies should give handsome brokerage to brokers so that they get attracted towards distribution of the funds.

References

For this report the following are the books and websites which are being referred:

Books:

- MUTUAL FUNDS: THE MONEY MULTIPLIER By Lalitha Thamaraipandy.

Websites:

- <https://www.bajajcapital.com/about-us>
- <https://in.linkedin.com/company/bajaj-capital-ltd>
- <https://www.bajajcapitalone.com/>
- https://en.wikipedia.org/wiki/Bajaj_Group

Other Sources:

- Bajaj Capital Ltd. Brochure/ magazine.
- Bajaj Capital Ltd. official presentations

SOFTWARE & TOOLS

- Microsoft office
- Google Drive
- Google sheet
- SIP Calculator
- Google chrome
- Instagram

APPENDICES

Questionnaire

Questions for Investor



sanyammehta2911@gmail.com
(not shared) [Switch account](#)



* Required

Name *

Your answer

Place(Address) *

Your answer

Age *

Your answer

Gender *



Male



Female



Prefer not to say

Occupation *

- ☐ Business
- ☐ Service
- ☐ Retired
- ☐ House Wife
- ☐ Other

Do you Know what is Mutual Funds & Insurance *

- ☐ yes
- ☐ No
- ☐ Less

Which Sector gives Max. benefits *

- ☐ Banking
- ☐ Stock Market
- ☐ Mutual Funds
- ☐ Real State
- ☐ PPF
- ☐ Insurance
- ☐ Gold/Silver

Which Type of Funds You are interested in *

- ☐ Blue Chip
- ☐ Defensive
- ☐ Dividend
- ☐ Cyclical
- ☐ Growth
- ☐ Penny

Is there a good future for new investors *

- ☐ yes
- ☐ No

What type of investment you prefer *

- ☐ short term
- ☐ Long term

What are the factors you consider while investing *

Your answer

1

According to you which platform is best for mutual funds investment. *

- ☐ Zerodha
- ☐ paytm Money
- ☐ Groww
- ☐ Bajaj Capital
- ☐ Reliance Capital

Have You attended any session of Mr. Sanjiv Bajaj *

- ☐ yes
- ☐ No

Best Medical Policy

Your answer

At what time our team can contact you to brief about our offerings *

- ☐ 9-5
- ☐ 6-9
- ☐ No I don't want

Any Suggestion for our company Regards any thing.

Your answer

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