

# GUJARAT TECHNOLOGICAL UNIVERSITY

## MASTER OF BUSINESS ADMINISTRATION (Global Program)

Year – II (Semester – IV) (W.E.F. January 2014)

### ELECTIVE SUBJECT

**Subject Name: Investment Banking (IB)**

**Subject Code: 2840601**

**1. Course Objectives:** To make the students aware about investment banking, valuation of companies, financial markets and restructuring of business.

**2. Course Duration:** The course duration is of 36 sessions of 75 minutes each, i.e. 45 hours.

**3. Course Contents:**

Module No:	Module Content	No. of Sessions	Marks (70 External exam)
I	<b>The businesses of investment banking :</b> Investment banks' role and function; The trends in investment banking; History and Emergence of investment banking; Types of investment banks; Raising capital: Equity and Debt; Raising Terms loans and working capital and appraisal thereof; Raising funds through using other debt instruments; including international funding; rating of instruments	7	17
II	<b>Valuation of companies and business:</b> Equity and Bond Valuation, Equity Research in investment banks; Business Valuation Models, Stock price and equity research; Investment Banking Perspective in Corporate Restructuring and M&A ; The role of investment banks in structuring M&A transactions, due diligence	7	17

III	<b>Financial Markets:</b> Understanding of Primary Market (IPO) and Secondary Market; Fund Raising through Private Equity, Venture Capital and Private Placement; Regulatory Aspects of Investment Banking, Ethics and compliance Differences in corporate governance between corporate clients and investors	7	18
IV	<b>Issue Management:</b> Role of Investment Banking in Primary Market (IPO); Functions of Merchant Banker in Issue Management; Underwriting and Bought Out Deals; Buybacks and Delisting <b>Restructuring of business and ARCs:</b> Restructuring – Financial and organizational restructuring, BIFR, Corporate Debt Restructuring, SARFAESI Act, ARCs, Re-schedulement and Restructuring;	7	18
V	<b>Practical Module:</b> Prepare a project of your choice using the theoretical fundamentals in above modules and also prepare	8	(20 Marks of CEC Internal Evaluation)

**4. Teaching Method:** The following pedagogical tools will be used to teach this

course: (1) Lectures and Discussions

(2) Role Playing

(3) Assignments and Presentations

**5. Evaluation:**

<b>A</b>	Projects/ Assignments/ Quizzes/ Individual or group Presentation/ Class participation/ Case studies etc	Weightage 50 marks (Internal Assessment)
<b>B</b>	Mid-Semester Examination	Weightage 30 marks (Internal Assessment)
<b>C</b>	End –Semester Examination	Weightage 70 marks (External Assessment)

**6. Basic Text Books:**

Sr. No.	Author	Name of the Book	Publisher	Edition
T1	Pratap G Subramanyam	Investment Banking	TATA McGraw Hill	2011 Latest edition

T2	Ranjan Rakesh	Investment Banking	Wiley Publication	Latest edition
T2	Khatua	Project Management & Appraisal	Oxford Publication	Latest edition

## 7. Reference Books:

Sr. No.	Author	Name of the Book	Publisher	Edition
R1	Dr R P Rustogi	Working Capital Management	Taxmann Publication	Latest edition
R2	Ashwarath Dampdaran	Damodaran On Valuation	Wiley Publication	Latest edition
R3	Candra	Corporate Valuation	TMH publication	Latest edition
R4	Finnery	Project Financing	Wiley Publication	Latest edition
R5	Bhattacharya	Working Capital Management	PHI publication	Latest edition
R6	Prasana Chandra	Project Planning, concepts	TMH Publication	Latest edition

**8. List of Journals/Periodicals/Magazines/Newspapers, etc.:** Journal of Finance, Journal of Finance and Economics, Journal of Banking and Finance

## 9. Session Plan:

Session no.	Topic
1-2	Investment banks' role and function; The trends in investment banking; History and Emergence of investment banking
3-4	Types of investment banks; Raising capital: Equity and Debt
5-6	Raising funds through using other debt instruments; including international funding; rating of instruments
7	Raising Terms loans and working capital and appraisal thereof
8-9	Valuation of Companies and Business, Equity and Bond Valuation,

10-11	Business Valuation Models, Stock price and equity research, Equity Research in investment banks
12-13	Investment Banking Perspective in Corporate Restructuring and M&A ; The role of investment banks in structuring M&A transactions, Due diligence
14-15	Financial Markets: Understanding of Primary Market (IPO) and Secondary Market
16-17	Fund Raising through Private Equity, Venture Capital and Private Placement
18-19	Regulatory Aspects of Investment Banking, Ethics and compliance Differences in corporate governance between corporate clients and investors
20-21	Issue Management: Role of Investment Banking in Primary Market (IPO); Functions of Merchant Banker in Issue Management
22-23	Underwriting and Bought Out Deals; Buybacks and Delisting
24-25	Underwriting and Bought Out Deals; Buybacks and Delisting
26-28	Restructuring – Financial and organizational restructuring, Corporate Debt Restructuring, Re-schedulement and Restructuring, BIFR, SARFAESI Act, ARCs
29-36	<b>Practical Module:</b> Prepare a project of your choice using the theoretical fundamentals in above modules and also prepare a project report under the guidance of your subject teacher.