

Seat No.: \_\_\_\_\_

Enrolment No. \_\_\_\_\_

**GUJARAT TECHNOLOGICAL UNIVERSITY**  
**MBA – SEMESTER 4 – EXAMINATION – SUMMER 2019**

**Subject Code: 3549283****Date: 03/05/ 2019****Subject Name: Investment Banking****Time: 10:30 Am to 1:30 Pm****Total Marks: 70****Instructions:**

1. Attempt all questions.
2. Make suitable assumptions wherever necessary.
3. Figures to the right indicate full marks.

- Q:1 Explain following terms 14**
1. BIFR
  2. Underwriting Devolvement
  3. IPO
  4. FCCB
  5. Portfolio Management
  6. Buybacks
  7. Corporate restructuring.
- Q:2 (A) Discuss the emergence of Investment Banks in the US and India. 07**
- (B) Distinguish between Merchant banking & investment banking. Explain the function of investment banking. 07**
- Or**
- (B) Describe regulatory aspects of investment banking in India. 07**
- Q:3 (A) Write in detail the different equity, hybrid and debt instrument available for funding in the domestic market 07**
- (B) A Ltd. Makes an issue of 10000 shares of Rs. 10 each at par aggregating to Rs. 100000. The issue has been underwritten fully by two underwriters B and C to the extent of Rs. 50000 each. The issue has been closed and the following information is available on the subscriptions 07**
- Valid subscriptions received Rs. 76500  
Received through underwriter B Rs. 27500  
Received through underwriter C Rs. 34800  
Direct subscriptions received Rs. 14200
- Calculate devolvement for underwriter B and C**
- Or**
- (A) Define private placements. Discuss the regulatory framework in India governing private placement. 07**
- (B) Discuss the role of primary market intermediaries and support service providers. 07**

- Q:4** (A) Explain in detail the two different type of De-listing with its process. **07**  
(B) Discuss the various methods through which a company can buy back its own securities from the market. **07**

**Or**

- (A) State the difference between private equity and venture capital. **07**  
Discuss the investment banking perspective in Private equity  
(B) Who is QIB? **07**  
Discuss the different type of QIBs and also elaborate on the guidelines governing the investment decisions of QIBs.  
**Q:5** Mr. Kabir holds position of Investment banker of PRL Ltd. As an investment banking Division has got an option to help a company called “Ram Ltd” on different issues.  
Kindly draft on any one condition in detail with you justification and proper explanation.

- Looking to the recent trend of our Indian economy, where many new skill **14**  
(A) bases services and incubation services which will offer to mass- received good support by government machinery and opt sufficient finance too. Ram Ltd. Wishes to start venture as a investment banker. Prior to start this service offering to mass, a blue print is prepared by them.  
If as Mr. kabir – you have to draft core investment banking and allied investment banking services offer in Indian financial system by Ram Ltd. then, which sort of services available for them to serve kindly elaborate them in detail with pros and cons. . Explain in detail, the business portfolio of Investment Banks and services rendered by them as a draft.  
**Prepare a draft for the same with services will offer by them.**

**Or**

- (A) Mr. Kabir holds position of Investment banker of PRL Ltd. As an investment banking Division has got an option to help a company called “Ram Ltd” to raise additional capital. If as an investment banker you advice to raise capital through an IPO of 20, 00,000 numbers of shares having a face value of INR 100 each. Price band is from 150 to 200 and bids can be made in multiple of 10 equity shares and thereafter. **14**  
**Make all the necessary required assumptions and elaborate on the pre and post IPO process of Apex Ltd in detail.**