

Elective Course 3: Investment Banking and Alternate Investment Funds

Course Type:	PS: Program Specialisation	Course Credits:	2
Course Code:	F4PE536	Course Duration:	30 Hours

Course Objectives:

- To provide a basic understanding of investment banking structure, functions, and services.
- To introduce the processes of capital raising, issue management, and due diligence.
- To familiarize students with project finance and structured financial instruments.
- To explain the concepts and categories of Alternative Investment Funds (AIFs) in India.
- To develop an understanding of regulatory aspects and the role of investment banks and AIFs in financial markets.

Course Outcomes:

- **CO1:** Explain the structure, roles, and functions of investment banking within the Indian financial system.
- **CO2:** Describe the process of capital raising, issue management, and due diligence in investment banking.
- **CO3:** Summarize basic concepts of project finance and structured financial products.
- **CO4:** Explain the key features, types, and strategies of Alternative Investment Funds.
- **CO5:** Discuss the regulatory framework and role of AIFs and investment banks in portfolio diversification.

Unit / Module	Content	CO Mapping	Hours Assigned
1	Overview of Investment Banking and Financial System: Overview of Indian Financial System and role of Investment Banks - Institutional structure and functions of Merchant / Investment Banking - SEBI guidelines and regulatory framework for Merchant Bankers - Recent developments, challenges, and	CO1	5

	emerging trends in Indian investment banking		
2	Capital Raising and Issue Management : Role of investment banks in primary markets (equity & debt) - Public issue process: eligibility, pricing, book building, prospectus, Green Shoe Option - Private placement, rights issue, and post-issue obligations - Investor protection and SEBI compliance requirements	CO2	6
3	Due Diligence and Project Finance Basics : Concept and need for due diligence (esp. in M&A transactions) - Key steps in due diligence and legal compliance - Introduction to project finance: large-scale and infrastructure projects - Risk assessment and financing structures in project finance	CO3	5
4	Structured Finance – Concepts and Instruments : Basics of structured products: CDOs, ABS, CDS - Securitization: asset pooling, trenching, and issuance of securities - Application of structured finance in risk management and liquidity enhancement	CO3	4
5	Introduction to Alternative Investment Funds (AIFs) : Concept and role of Alternative Investments in portfolio diversification - Categories I, II, and III AIFs under SEBI (AIF) Regulations, 2012 - Category III AIFs: structure, investment strategies, comparison with PMS and Mutual Funds - Regulatory framework and suitability for	CO4	6

	investors		
6	- Integrated case study on Investment Banking operations or AIF structure in India - Evaluation of a recent IPO / private placement or AIF investment strategy - Short analytical presentation on SEBI updates or market developments - Reflection on regulatory compliance, investor protection, and portfolio diversification aspects	CO5	4

Textbooks

1. Investment Banking- Concept, Analysis and Cases by Pratap Giri, 4th Edition, McGraw Hill; Forth edition (29 October 2021), New Delhi
2. Workbook for NISM-Series-XIX-B: Alternative Investment Funds (Category III) Distributors Certification Examination - Taxmann Publication

Reference Books

1. Investment Banking: Valuation, LBOs, M&A, And IPOs by Joshua Rosenbaum and Joshua Pearl, John Wiley & Sons Inc; Updated edition (23 February 2022)
2. NISM's Alternative Investment Funds (Category I and II) Distributors, by NISM (An Educational Initiative of SEBI), 3 November 2022