ABSTRACT

Venture capital (VC) has been growing rapidly in developing countries since 1990, but little research has been done on VC in developing countries so far. This dissertation is an attempt to address the major question of this research: What is venture capital and what is its correlation with return on investment (ROI)? In this approach we reviewed the literature of subject and its roots and backgrounds and then we viewed to venture capital in India and China, at the end we done a unique field study among 40 Indian venture capital based firms (Computer firms) and 23 not venture capital based firms (Textile firms), which empowered us to respond more of our research questions and hypothesis through comparing of relative results in this two category firms.

In this line, the research is arranged in five chapters. The first chapter is introduction and background. The second chapter considers the literature review in relation Venture Capital Investment and backgrounds of it such as Entrepreneurship and which acquire from it and the role of Venture Investors and also the corporate venturing. Chapter three elaborate Venture Capital Investment situation in India. Chapter four has an attempt to find the causes and consequences of Venture Capital Investment in China. Chapter five deals a field study and finally presents conclusions and recommendations.