**UNIVERSITY OF SARGODHA**

**Noon Business School**

COURSE OUTLINE: B.com 7th Corporate Finance Fall 2020-2021

Course Title: **Corporate Finance**

Course Code: BUSC 6135

Credit Hours:03

Instructor: Haroon Hussain

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DESCRIPTION AND OBJECTIVES

Corporate Finance is the worldwide leading discipline in business administration that describes the theory and practice of corporate finance. Throughout this course the instructors shall show how managers use financial theory to solve practical problems and as a way of learning how to respond to change by showing not just how but why companies and management act as they do. The recommended text is comprehensive, authoritative, and modern and yet the material is presented at a common sense level.

INTENDED LEARNING OUTCOMES

Upon successful completion of the course students will be expected to: 1-Analyze major corporate finance issues, 2- Demonstrate knowledge of the theory underpinning corporate valuation, 3-Demonstrate knowledge of the basics of risk and return for cost of capital valuation, 4- Recognize and understand the principles underlying risk management and options valuation, 5-Understand dividend policy for increasing shareholder value, 6-Value mergers and acquisitions

COURSE CONTENTS

COURSE SCHEDULE

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| **Week** | Topics and Readings | Books with Page No. |
| 1 | An Overview of Corporate Financing: Book value vs. market value; dividend , stockholders' rights, classes of stocks, convertible securities | Principles of Corporate Finance by Brealey-Myers Page 14 |
| 2 | How corporations Issue securities, Venture capital, The underwriters, General Cash offers by public companies, The private placement. | Principles of Corporate Finance by Brealey-Myers Page 426 |
| 3 | Corporate Payout Policy | Principles of Corporate Finance by Brealey-Myers Page 484 |
| 4 | Does Debt Policy Matters? | Principles of Corporate Finance by Brealey-Myers Page 450 |
| 5 | How much should a corporate borrow? | Principles of Corporate Finance by Brealey-Myers Page 404 |
| 6 | How much should a corporate borrow? | Principles of Corporate Finance by Brealey-Myers Page 404 |
| 7 | Financing and Valuation | Principles of Corporate Finance by Brealey-Myers Page 508 |
| 8 | Financing and Valuation | Principles of Corporate Finance by Brealey-Myers Page 508 |
| 9 | Credit Risk and the value for corporate debt | Principles of Corporate Finance by Brealey-Myers Page 680 |
| 10 | Credit Risk and the value for corporate debt/**Guest Speaker** | Principles of Corporate Finance by Brealey-Myers Page 680 |
| 11 | The Many different kinds of debt | Principles of Corporate Finance by Brealey-Myers Page 376 |
| 12 | Leasing | Lecture Notes and Handouts |
| 13 | Managing Risk | Principles of Corporate Finance by Brealey-Myers Page 680 |
| 14 | Managing International risk | Principles of Corporate Finance by Brealey-Myers Page 626 |
| 15 | Working Capital Management | Principles of Corporate Finance by Brealey-Myers Page 566 |
| 16 | Mergers and Corporate Restructuring. | Principles of Corporate Finance by Brealey-Myers Page 598 |

RESEARCH PROJECT /PRACTICALS /LABS /ASSIGNMENTS

Research Project and Class Assignments

ASSESSMENT CRITERIA

Final Term Marks 25 Percent

VIVA 25 Percent

Mid Term Marks 30 Percent

Sessional Marks 20 Percent