

COURSE OUTLINE

Name of Course & Course Code

Corporate Finance JSPF212

SECTION 1 – GENERAL INFORMATION

1.1 Course Faculty

Faculty	Dr. Srijith, Dr. Amit Puniyani
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1.2 Level (Tick applicable Level)

Foundation	Core	Level 1	Level 2	Level 3
	✓			

1.3 Course Weight

Indicate the credit point weighting of this Course

Course credit points
3

1.4 Course workload

Using the table below, indicate the expected student workload for this Course.

Contact Hours	Group Work/ Supervised Learning Hours	Directed Learning Hours	Total Hours
30	15	45	90

1.5 Delivery mode

Tick all applicable delivery modes for the subject:

- ☒ Face to face on site
☐ E-learning (online)
☐ Blended (provide details)

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1.6 Pre-requisites required for the Course, if any

Yes ☐ No ☒

If YES, provide details of the prerequisite(s) below:

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1.7 Other resource requirements

Do students require access to specialist facilities and/or equipment for this subject (for example, special computer access, and physical education equipment)?

Yes ☐ No ☒

If YES, provide details of specialist facilities and/or equipment below.

1.8. Linkage to Career Goals

Finance is one of the central functions in a business organization. This is an introductory course for management professionals to understand the basic functions of finance. It introduces the different financial decisions to be taken by managers and their impact on the organization.

1.9. Alignment with Learning Goals and Learning Objectives

Aligned to:

GLG 6.0 Functional Knowledge, 6.1 Knowledge of Business Function, 6.2 Proficiency in Business Tools

Where Assessed:

Continuous Evaluation, Mid-term examination, End Term examination

1.10. Linkage to Multiple Intelligences

Tick all applicable options

- ☐ Verbal-Linguistic
- ☒ Logical-Mathematical
- ☐ Spatial Visual
- ☐ Bodily-Kinesthetic
- ☐ Musical
- ☐ Interpersonal
- ☐ Intrapersonal
- ☐ Naturalist

1.11. Linkage to IDEAS Framework

Tick all applicable options

- ☐ Innovation
- ☐ Design Thinking
- ☐ Entrepreneurial Attitude
- ☐ Automation
- ☒ Solutioning

SECTION 2 – ACADEMIC DETAILS

2.1 Learning Outcomes for the Course

Learning Outcomes for Course (Use Bloom's Taxonomy as applicable)

1. To understand the Finance function vis-à-vis business goals and shareholder value creation
2. To apply the discounted cash flow techniques and their various applications, including applications for capital investment decisions
3. To understand Capital Asset Pricing Model and apply the skills in estimating Cost of Equity
4. To understand, apply and discuss the theories in capital structure and assess the factors that financial managers should consider while determining long term sources of funds
5. To understand and discuss dividend policy and their impact on valuation of the business
6. To understand working capital management and its various components
7. To learn to create a basic valuation model for the businesses

2.2 Assessment

Assessment task		
Type *	When assessed - Session Week	Weight
Project https://www.coursera.org/learn/stock-valuation-dividend-discount-model https://www.coursera.org/learn/discounted-cash-flow-modeling	After week 5, after week 8	20%
Quizzes	After week 3, After week 6	20%
Mid Term Examination	Mid-Course	20%
End Term Exam (Prerequisite: Completion of Coursera courses mentioned in course outline and uploading of certificates)	End of Course	40%
Total		100%

2.3 Session Wise Details

Session	Topic	Pedagogy	Readings	ESG Content
Module 1: Foundations of Corporate Finance <u>Learning Objectives:</u> To identify and distinguish between various forms of business and basic understanding of business models. To identify major financial decisions and corporate objective. To be able to perform basic time value of money applications				
1-2	<ul style="list-style-type: none"> Identifying various forms of business Determining the business model Understanding and comparing various corporate objectives Agency problems Introduction to ESG in Corporate Finance 	Classroom Discussion BT Chapter 1 Pages 1-18.	Module 1 https://www.coursera.org/learn/pre-mba-quant-skills-finance#syllabus	✓
Module 2: Estimation of Cost of Capital <u>Learning Objectives:</u>				

Sess ion	Topic	Pedagogy	Readings	ESG Content
To learn and apply skills in risk and return measurement, To understand basic portfolio theory, To understand Capital Asset Pricing Model, To analyze and estimate Cost of Equity, To analyze and estimate cost of capital				
3-4	Application of Time Value of money Annuity, Annuity Due, Perpetuity Loan payment	BT Chapter 2 Pages 19-46.	Module 1 https://www.coursera.org/learn/pre-mba-quant-skills-finance#syllabus	
5-6	a) Concept of Risk and Return b) Measuring and calculating risk and return of individual security c) Measuring and calculating Risk and Return of portfolio	Discussion and problem solving; BT Ch 7 Page 231-258	Module 4 https://www.coursera.org/learn/pre-mba-quant-skills-finance#syllabus	
7	Sources of Funds <ul style="list-style-type: none"> • Long-term sources of funds • Common shares, and preference shares Debt instruments (straight and convertible bonds). ESG Finance and Green Bonds	Concept discussion BT Chapter 14 Pages 367-391		✓
8-9	Capital Asset Pricing Model	Concept discussion and problems. BT Chapter 8 Pages 207 – 230 Chapter 9 Pages 235 - 239	Module 4 https://www.coursera.org/learn/pre-mba-quant-skills-finance#syllabus Module 4 https://www.coursera.org/learn/corporate-finance-essentials	
10	Dividend Discount Model and its use in estimating Cost of Equity	Concept discussion and problems. BT Chapter 4	Module 4 https://www.coursera.org/learn/pre-mba-quant-skills-finance#syllabus	

Sess ion	Topic	Pedagogy	Readings	ESG Content
		Pages 79-95	skills- finance#syllabus Project 1 https://www.coursera.org/learn/stock-valuation-dividend-discount-model	
11-12	Calculating cost of Debt Calculating Weighted average Cost of Capital (WACC)	Concept discussion and problems. BT Chapter 17 Pages 469-470 BT Chapter 9 Pages 231-235 BT Chapter 19 Pages 510-513	Module 4 https://www.coursera.org/learn/pre-mba-quant-skills-finance#syllabus Module 4 https://www.coursera.org/learn/corporate-finance-essentials	
Module 3: Capital Investment Decision <u>Learning Objectives:</u> To learn about the Capital Budgeting Process, Cash Flow Estimation, To understand the application of investment criteria				
13-14	Principles of Cash-flow Estimation Non-discounting Criteria – Payback and Accounting Rate of Return	Concept discussion and applications. BT Chapter 5-6,10	Module 2 https://www.coursera.org/learn/pre-mba-quant-skills-finance#syllabus	
15-16	Project Evaluation Payback, Net Present Value (NPV), Internal Rate of Return (IRR), Profitability Index, etc. Sensitivity Analysis in capital budgeting	Concept discussion and applications. BT Chapter 5-6,10 Pages 109-166 Pages 260-268	Module 2 https://www.coursera.org/learn/pre-mba-quant-skills-finance#syllabus	
17	DCF Valuation Concepts Forecast Period Perpetuity Terminal Growth (g) Capital investment filtered through ESG lenses.	Concept discussion and applications. BT Chapter 4 Pages 96-101.	Module 4 https://www.coursera.org/learn/pre-mba-quant-skills-finance#syllabus	✓

Sess ion	Topic	Pedagogy	Readings	ESG Content
		BT Chapter 19 Pages 515-519	<u>skills-</u> <u>finance#syllabus</u> <u>Project 2</u> https://www.coursera.org/learn/discounted-cash-flow-modeling	
Module 4: Working Capital Management <u>Learning Objectives:</u> To understand Working capital estimation, Inventory Management, Receivables Management, Cash Management, Financing of Working Capital				
18-19 (T)	Characteristics of Current Assets Factors Influencing Working Capital Requirements Level of Current Assets Operating Cycle Bank financing of working capital	Concept discussion and applications. BT Chapter 29 Pages 785-812		
20-21	Inventory Management, Receivables Management, Cash Management	Concept discussion and applications. BT Chapter 30 Pages 813-836		
Module 5: Capital Structure and Dividend Decision <u>Learning Objectives:</u> To understand Capital Structure Planning, Long term Sources of Funds and Dividend Decisions				
22-23	Capital structure planning ROA-ROE analysis Operating, financial and combined leverage Linking leverage to break-even revenue	Concept discussion and applications. RT Chapter 20 Sections 20.1 - 20.3	Module 4 https://www.coursera.org/learn/pre-mba-quant-skills-finance#syllabus	
24	Dividend decision Theory and practice	Concept discussion and applications. BT Chapter 16 Pages 424-452	Module 4 https://www.coursera.org/learn/pre-mba-quant-skills-finance#syllabus	

2.4 Prescribed and recommended readings

Provide below, in formal reference format, a list of the prescribed and recommended readings for the subject.

Basic Textbook

Brealey, Myers, Allen and Mohanty: Principles of Corporate Finance, Twelfth Edition, Special Indian Edition 2019, McGraw Hill Education (India) Private Limited. [BT]

Reference/ Reading

Prasanna Chandra: Financial Management – Theory and Practice, McGraw Hill Education Tenth Edition, 2019, McGraw Hill Education (India) Private Limited. [RT]

Timothy R Mayes and Todd M. Shank: Financial Analysis with Microsoft Excel, Cengage (latest edition)