

# Bcom 332: Corporate Finance

**CORPORATE FINANCE OR BUSINESS FINANCE**, THIS AREA OF FINANCE IS CONCERNED PRIMARILY WITH FINANCIAL DECISION-MAKING WITHIN A BUSINESS ENTITY. THESE FINANCIAL DECISIONS INCLUDE MAINTAINING CASH BALANCES, EXTENDING CREDIT, ACQUIRING OTHER FIRMS, BORROWING FROM BANKS, AND ISSUING STOCKS AND BONDS.

## **COURSE OBJECTIVES**

THE OBJECTIVES OF THIS COURSE ARE AS FOLLOWS:

1. TO EQUIP THE STUDENT WITH PRACTICAL SKILLS TO MAKE SOUND INVESTMENT DECISIONS IN A BUSINESS SETTING (AND EVEN IN PERSONAL LIFE) SO AS TO MAXIMIZE WEALTH.
  2. TO ENABLE THE STUDENT CONDUCT VALUATION OF BUSINESSES AND SECURITIES.
  3. TO EQUIP THE LEARNER WITH SKILLS TO MAKE SOUND FINANCING AND DIVIDEND DECISIONS FOR ENTERPRISES.
- OBTAINING FINANCE TO EXPAND A BUSINESS.
  - DEMAND AND COST ESTIMATION FOR THE FIRM.
  - MERGERS AND ACQUISITIONS.
  - CORPORATE RESTRUCTURING AND CORPORATE CONTROL.
  - FINANCIAL POLICY AND CORPORATE STRATEGY.
  - GROWTH POLICY.
  - FINANCIAL DISTRESS.
  - VALUATION OF COMPANIES.
  - CAPITAL STRUCTURE THEORIES, PLANNING AND STRUCTURE.
  - DEBT AND DIVIDEND POLICIES.
  - EFFICIENT ASSET SELECTION.

## **EVALUATION**

TWO CONTINUOUS ASSESSMENT TESTS WILL BE ADMINISTERED. AN ASSIGNMENT WILL ALSO BE GIVEN. THE TOTAL MARKS FOR THE CATS AND ASSIGNMENT ARE 30. THE FINAL EXAM WILL BE OUT OF 70.

## **REFERENCES**

- BODIE-KANE-MARCUS: INVESTMENTS, FIFTH EDITION, THE MCGRAW-HILL COMPANIES, 2001
- BREALEY-MEYERS: PRINCIPLES OF CORPORATE FINANCE, SEVENTH EDITION, THE MCGRAW-HILL COMPANIES, 2003.
- FRANK J. FABOZZI, PAMELA P. PETERSON, FINANCIAL MANAGEMENT AND ANALYSIS, SECOND EDITION, JOHN WILEY & SONS, INC., HOBOKEN, NEW JERSEY (2003).
- OTHER TEXTS IN FINANCIAL ECONOMICS, INVESTMENT MANAGEMENT AND FINANCIAL MANAGEMENT.