

Identification	Subject (Code, title, credits)	FIN 320 Corporate Finance-3KU/6ECTS
	Department	Economics and Management
	Program type	Undergraduate
	Term	Spring, 2024
	Instructor	Shamil Muzaffarli
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	Classroom	
Prerequisites	FIN 310: Fundamentals of Financial Management	
Language	English	
Compulsory / Elective	Elective	
Required textbooks & course materials	Main book: 1. CFA Program Curriculum 2023 Level I and Level II 2. CFA Program Curriculum 2022 Level I and Level II Additional books: 1. Richard A. Brealey, Stewart C. Myers, Franklin Allen, “Principles of Corporate Finance”, 13th Edition (or earlier editions: 10-e 2011), McGraw-Hill Education, 2019. 2. Ross, Westerfield & Jordan, “Fundamentals of Corporate Finance”, 12th edition (or earlier editions), McGraw-Hill Education, 2018.	
Course outline	This course mainly targets various types of valuation procedures and tools used in the evaluation and decision-making process in the business environment and financial management of corporations. Furthermore, both theoretical and practical concepts regarding corporate finance will be covered throughout the course, while providing basic financial theory and practice. Common problems encountered by business decision-makers and the fundamental analytical skills to deal with various financial issues will be highlighted. The course culminates in a project where students apply their knowledge to develop a comprehensive valuation or financial management plan addressing real-world business challenges.	
Course objectives	<ul style="list-style-type: none"> • Learn to analyze financial statements effectively to evaluate a company's financial health, performance, and profitability. • Develop the skills to assess investment opportunities, apply capital budgeting techniques, and make informed decisions regarding project selection and resource allocation. • Understand the factors influencing capital structure decisions, including debt vs. equity financing, capital structure theories, and implications for firm value and cost of capital. • Examine different dividend policies, dividend theories, and their impact on shareholder wealth maximization and company valuation. • Explore the principles of corporate governance, ethical considerations, and regulatory frameworks governing corporate financial decision-making and disclosure practices. • Understand the motives behind M&A transactions, valuation techniques for mergers and acquisitions, and the integration process to maximize shareholder value. • Develop strategic financial planning skills, including capital restructuring, bankruptcy, and turnaround strategies to enhance firm value and competitiveness. During the course, students will be provided with an understanding of the fundamental theories in 	

	financial management. Furthermore, the course will give students skills to analyze investment and financing projects and provide a reasonable judgement on decisions.		
Learning outcomes	At the end of this course, students will: <ul style="list-style-type: none">• Develop financial statement analysis skills• Learn capital budgeting techniques and decision-making criteria• Understand the cost of capital and its importance in capital budgeting• Analyze capital structure decisions and their impact on firm value• Understand mergers and acquisitions and their impact on firm value• Analyze dividend policy and share repurchase decisions and their impact on firm value• Learn working capital management techniques and their importance in financial decision-making• Understand the role of ESG and the importance of corporate governance		
Teaching methods	Lecture		✓
	Group discussion		✓
	Case analysis		✓
	Practice questions		✓
Evaluation	Methods	Date and deadlines	Percentage (%)
	Midterm Exam	TBA	30
	Class Attendance and Activity		10
	Quizzes	Week 6/12	10
	Group Project	During the semester	10
	Final Exam	TBA	40
	Total		100
Policy	<p>Activity & Class Attendance: Students are required to attend all classes to follow all lectures. Participation in class discussions plays a main role in assessing rates. Thus, the assessment process will be based on how active students are in the class discussions by answering the instructor’s questions and initiating to ask questions which are relevant to the subject and providing their views and insights on related matters.</p> <p>Quizzes: During the course, two (2) quizzes will be held to evaluate the knowledge of students related to the covered topics. The main purpose of carrying out quizzes is to find out how the students understood the covered topics and provide students, provide students with an experience of solving practice questions and enforce them to study for theoretical questions.</p> <p>Group Project: Students will be allocated in small groups to assess investment projects for a given company by applying various project valuation methods. The evaluation process will be based on the group work skills of students, and their logical problem-solving approach while implementing various project valuation methods for the provided company.</p>		
Tentative Schedule			
Week	Topic	Reading	
1	Introduction to Corporate Governance	CFA Level I – reading 29 CFA Level II – reading 16	
2	ESG Considerations	CFA Level II – reading 16	

3	Industry and Company Analysis	CFA Level I – reading 40
4	Financial Statement Analysis (1)	CFA Level I – reading 21
5	Financial Statement Analysis (2)	CFA Level I – reading 21
6	Working Capital Management/ QUIZ 1	CFA Level I – reading 32
7	Financial Modeling	CFA Level II – reading 14
8	Midterm Exam	
9	Capital Structure	CFA Level I – reading 34
10	Cost of Capital	CFA Level I – reading 33 CFA Level II – reading 20
11	Capital Budgeting (1)	CFA Level II – reading 19 (old book)
12	Capital Budgeting (2) / QUIZ 2	CFA Level II – reading 19 (old book)
13	Corporate Restructuring	CFA Level II – reading 18
14	Analysis of Dividends and Share Repurchases	CFA Level II – reading 15
15	Revision Lecture	
16	Final Exam	