

FINA 3340. CORPORATE FINANCE

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Online (Teams) office hours: Email me to make an appointment.

Credit Hours/Time Dedicated (per week): 3 credits/9 hours of time commitment (class time, reading, quizzes, studying)

Classroom/Time: Tuesday & Thursday 11.00 AM to 12.15 PM, online scheduled in Collaborate via Blackboard Ultra.

Prerequisites: None.

Required Class Materials

We are going to use an ebook and the **Connect** platform from McGraw-Hill.

Ross, Westerfield, and Jaffe (2025). Corporate Finance, 13th Edition. McGraw Hill.

Students must buy the E-Book and Connect access through the link in Blackboard (click on Connect Registration).

Course Description

This course provides an in-depth understanding of the principles and practices of corporate finance, focusing on how financial managers make decisions that maximize firm value. It covers the essential concepts of financial management, including capital budgeting, capital structure, cost of capital, dividend policy, working capital management, and valuation of financial assets.

Students will learn how to apply financial tools and techniques to evaluate investment opportunities, assess financing options, and manage the firm's short-term and long-term financial needs. The course emphasizes the time value of money, risk-return trade-offs, and the role of financial markets in corporate decision-making.

By integrating theoretical knowledge with practical applications, case studies, and real-world examples, the course prepares students to make informed financial decisions in a corporate environment. It is essential for students aspiring to careers in finance, investment banking, consulting, or corporate strategy.

Student Learning Outcomes

By the end of this course, students will be able to:

- Explain the key elements of the financial environment in which a company operates, including the role of markets, institutions, and regulations.
- Read and analyze financial statements and cash flow
- Explain the concept of time value of money and apply it to simple financial decisions like valuing investments and understanding interest rates.
- Compute the Net Present Value and the Internal Rate of Return and evaluate investment opportunities based on their profitability.
- Explain the relationship between risk and return and how this relationship affects investment decisions.
- Calculate the cost of capital and explain its uses to evaluate business projects and make financing decisions.

Marketable Skills for the Business Administration program

Students will:

- Students will apply the principles of business to the management of existing businesses or the creation of new businesses.
- Students will use appropriate information from research and analysis to make informed decisions.
- Students will be able to write business correspondence, including letters, emails, reports, and resumes.
- Students will be able to make effective oral presentations to both professional and general audiences.

Library Resources

The **Bryan Wildenthal Memorial Library and Archives of the Big Bend** in Alpine offers FREE resources and services to the entire SRSU community. Access and borrow books, articles, and more by visiting the library's website, library.sulross.edu. Off-campus access requires logging in with your Loboid and password. Librarians are a tremendous resource

for your coursework and can be reached in person, by email (srsulibrary@sulross.edu), or by phone (432-837-8123).

No matter where you are based, public libraries and many academic and special libraries welcome the public into their spaces for study. SRSU TexShare Cardholders can access additional services and resources at various libraries across Texas. Learn more about the TexShare program by visiting library.sulross.edu/texshare or ask a librarian by emailing srsulibrary@sulross.edu.

Mike Fernandez, SRSU Librarian, is based in Eagle Pass (Building D-129) to offer specialized library services to students, faculty, and staff. Utilize free services such as InterLibrary Loan, ScanIt, and Direct Mail to get materials delivered to you at home or via email.

Attendance

The attendance policy as outlined in the Sul Ross Student handbook Page No. 9 will be followed.

Teaching Methods/Course Format

This is an online course. With my guide, I hope you can work on the different activities, submit them before their deadlines, and reach the learning objectives of the course.

Assessment strategy

Exams 2 online exams (midterm and the final exam)	50% (25% each)
Pre-class activities (Homework) - From Chapter 1 to 13 Chapter and videos (some). Due before the start of the chapter.	25%
After-class activities (Assignments) - From Chapter 1 to 13 Homework is due until midnight of the Sunday the day before the start of the next chapter	25%

Note: No make-up exams or extra credit will be given.

There are two online examinations: a Midterm Examination covering Chapters 1 through 7, and a Final Examination covering Chapters 8 through 13. Each exam comprises a mixture of

definitions, multiple-choice questions, short-answer questions, quantitative problems, and graph analysis. You are expected to identify a problem within a given context through a graph, apply the concepts, and determine the outcome of such a problem.

All readings, quizzes, and homework assignments assigned each week are due on Sundays (before 11:59 pm CST). Each assignment is worth 100 points turned in before the deadline; otherwise, it gets a zero score. In addition, at the end of the term, I will drop the two lowest scores from reading/quizzes and homework, respectively. This implies that you can skip up to 2 assignments of each group.

Course Schedule and Contents

Session	Concept / Topic to Teach	Session Objectives	Homework Deadlines (Pre Reading)	Lecturer Date	Assignment - Deadline
	Getting Started. Read the syllabus and get familiar with both Blackboard and Connect platforms and Introduction to Corporate Finance.	Beginning the course by introducing myself, reading the syllabus, and becoming familiar with both Blackboard and Connect platforms and understanding Corporate Finance.	No homework or assignments have been given, as this class was intended solely as an introduction.	Date - Jan 15 2026	
1	CHAPTER 1 – INTRODUCTION TO CORPORATE FINANCE - Introduction to Corporate Finance - Role of the Financial Manager and Goal of Financial Management, Forms of Business Organization, The Agency Problem and Control of the Corporation, Financial Markets and The Corporation.	To provide a foundational understanding of corporate finance principles, focusing on how businesses make investment, financing, and dividend decisions to maximize firm value while managing risk and return.	Jan 19 th 2026	Jan 20 2026	
2	Continue...			Jan 22 2026	Jan 25 2026
3	CHAPTER 2 - FINANCIAL STATEMENTS, TAXES, AND CASH FLOW - The Balance Sheet, The Income Statement, Cash Flow Statement and Taxes.	To understand the structure and interpretation of financial statements, the impact of taxes, and the calculation of cash flows for informed financial decision-making.	Jan 26 th 2026	Jan 27th 2026	
4	Continue...			Jan 29th 2026	Feb 1 st 2026
5	CHAPTER 3 - WORKING WITH FINANCIAL STATEMENTS - Cash Flow and Financial Statements: A Closer Look, Standardized Financial Statements, Ratio Analysis and The DuPont Identity.	To develop skills in analyzing, interpreting, and using financial statements for evaluating a firm's performance and financial health.	Feb 2 nd 2026	Feb 3rd 2026	
6	Continue...			Feb 5th 2026	Feb 8 th 2026
7	CHAPTER 4 – DISCOUNTED CASH FLOW VALUATION - DCF valuation estimates a company's value	The session aims to explain DCF valuation, covering cash flow forecasting, terminal value,	Feb 9 th 2026	Feb 10th 2026	

	by discounting its projected future cash flows and terminal value using a risk-adjusted rate (WACC) to get enterprise and equity value. It's sensitive to assumptions, so scenario analysis is important.	discounting with WACC, calculating enterprise and equity value, and assessing assumptions through sensitivity analysis.			
8	Continue...			Feb 12th 2026	Feb 15 th 2026
9	Chapter 5- NET PRESENT VALUE AND OTHER INVESTMENT RULES - NPV and Other Investment Rules: NPV accepts projects with positive value, Payback and Discounted Payback measure time to recover investment, IRR accepts if return exceeds cost of capital, MIRR refines IRR with realistic reinvestment, and PI accepts if ratio is greater than one.	To understand NPV and other investment rules, compare their strengths and limitations, and apply them in making sound investment decisions.	Feb 16 th 2026	Feb 17th 2026	
10	Continue...			Feb 19th 2026	Feb 22 nd 2026
11	CHAPTER 6: MAKING CAPITAL INVESTMENT DECISIONS- Making Capital Investment Decisions means evaluating projects by focusing on relevant cash flows, opportunity costs, side effects, and working capital needs, while using tools like NPV, IRR, Payback, and Profitability Index to decide value creation.	To learn how to evaluate capital investment projects, identify relevant cash flows, and apply decision tools like NPV, IRR, Payback, and Profitability Index for effective decision-making.	Feb 23 rd 2026	Feb 24th 2026	
12	Continue...			Feb 26th 2026	March 1 st 2026
13	CHAPTER 7: RISK ANALYSIS, REAL OPTIONS, AND CAPITAL BUDGETING - Risk Analysis, Real Options, and Capital Budgeting involve assessing project uncertainty, incorporating flexibility through real options, and using risk-adjusted methods to make better investment decisions.	Risk Analysis, Real Options, and Capital Budgeting focus on assessing project uncertainty, leveraging managerial flexibility, and using risk-adjusted methods for better investment decisions.	March 2 nd 2026	March 3rd 2026	
14	Continue...			March 5th 2026	March 8 th 2026
March 9 -13 – Spring Break – No Classes					
15	Revision for Midterm Examination from Chapter 1 to 7th		March 16th 2026		
16	Review and Midterm. Chapters: 1 to 7		March 19th 2026		
17	CHAPTER 8 - INTEREST RATES AND BOND VALUATION - Bonds and Bond Valuation, More on Bond Features, Bond Ratings and Some Different Types of Bonds, Bond Markets, Inflation and Interest Rates and Determinants of Bond Yields.	To understand the determinants of interest rates and apply bond valuation techniques for pricing and investment decisions.	March 23 rd 2026	March 24th 2026	
18	Continue...			March 26th 2026	March 29 th 2026
19	CHAPTER 9 - STOCK VALUATION - Common Stock Valuation, Some Features of Common	To learn the methods of valuing stocks and assessing their role in investment and corporate finance decisions.	March 30 th 2026	March 31st 2026	

	and Preferred Stocks and The Stock Markets.				
20	Continue...			April 2 nd 2026	April 5 th 2026
21	CHAPTER 10: LESSONS FROM MARKET HISTORY - Lessons from Market History show that markets experience cycles but grow long-term, highlight the benefits of diversification, reveal the impact of investor behavior, and illustrate risk-return and valuation lessons.	To understand historical market patterns, learn from past investor behavior, and apply lessons on risk, return, and diversification for better investment decisions.	April 6 th 2026	April 7 th 2026	
22	Continue...			April 9 th 2026	April 12 th 2026
23	CHAPTER 11 - RETURN, RISK, AND THE CAPITAL ASSET PRICING MODEL - Return, Risk, and CAPM explain how expected returns relate to investment risk, with CAPM linking return to market risk (beta) and illustrating the risk-return trade-off while highlighting diversification benefits.	Return, Risk, and CAPM explain how expected returns relate to systematic and unsystematic risk, with CAPM using beta to link market risk to return, highlighting the risk-return trade-off and benefits of diversification.	April 13 th 2026	April 14 th 2026	
24	Continue...			April 16 th 2026	April 19 th 2026
25	CHAPTER 12 - RISK, COST OF CAPITAL, AND VALUATION - Risk, Cost of Capital, and Valuation link cash flow uncertainty to value, using the cost of capital (debt and equity) to discount expected returns, guiding investment decisions through risk-adjusted valuation.	To understand the impact of risk on cash flows, learn how to calculate the cost of capital, and apply it in valuing projects and firms for informed investment decisions.	April 20 th 2026	April 21 st 2026	
26	Continue...			April 23 rd 2026	April 26 th 2026
27	CHAPTER 13: CAPITAL STRUCTURE: BASIC CONCEPTS - Capital Structure: Basic Concepts refer to the mix of debt and equity a firm uses to finance its operations. Debt provides tax benefits but increases financial risk, while equity represents ownership capital. Firms aim for an optimal capital structure that balances risk and return, guided by theories like the trade-off between tax benefits and bankruptcy costs, and the pecking order preference for internal financing first.	To understand the components of capital structure, the role of debt and equity, and the theories guiding optimal financing decisions for value maximization.	April 27 th 2026	April 28 th 2026	
28	Continue...			April 30 th 2026	May 3 rd 2026
	Final exam. Chapters 8 – 13		TBA (Probably May 6th 2026)		

Grading Policies and Procedures

If you believe there has been an error in your grading, please email me to request a review. Requests for changes to exam or assignment grades must be submitted no later than one week after the respective deadline and before the last day of class.

Students who miss an exam due to required participation in a university activity, the death of an immediate family member, or a serious illness (note: COVID quarantine without a positive test does **not** qualify) may request a make-up exam. Such requests must be made within two weeks of the incident. To be eligible for a make-up exam, you must contact the instructor within 48 hours (approximately two days) after missing the exam. The instructor reserves the right to determine the format of any make-up exam.

Please note that students who miss an exam for any other reason will receive a score of zero for that exam.

Finally, keep in mind that Connect registers all your activities. It registers when you enter the system, when you begin to work on an activity (reading, quizzes, and homework), and when you complete it. If you do not work, Connect will not register any activity. So, if you see a zero in any of your activities in Connect, it means that you:

- Did not complete an assignment before the deadline(failed), including late submission
- Did not work at all on the assignment.

Grading Scale

Percent Range (Final Score)	Letter Grade
90 - 100	A
80 - 89	B
70 - 79	C
60 - 69	D
59 and below	F

Course Expectations

What you should expect from me

1. The instructor will treat each one of you with respect and as an individual with his/her own beliefs, thoughts, and needs.
2. The instructor will provide weekly communication with the class through announcements (video and text), email notifications, and virtual office hours.
3. The instructor will respond to emails within 24 hours of receipt during the hours of 9:00 am-4:00 pm, Monday-Friday.

4. The instructor will be available to answer questions from students during virtual office hours.
5. The instructor will grade assignments and projects according to the specific rubric within two weeks of the submission date.
6. The instructor will provide feedback on journals and discussion boards as needed every week.
7. The instructor will provide clear and concise instructions on how to complete the online course requirements or any other activity.
8. And, finally, but not least importantly, the instructor will not change the deadline for the assignments unless something of major force happens.

My expectations from students

1. Positive, proactive, or successful students should be diligent in using both oral and written communication, showing respect for each one individual's opinion.
2. Positive, proactive, or successful students will familiarize themselves with the course syllabus, policies, assessments, evaluation, grading criteria, and course design.
3. Positive, proactive, or successful students will complete all coursework on the assigned due date.
4. Positive, proactive, or successful students will engage in the course, with their peers, and the instructor, and with open communication and active participation.
5. Students should respond to instructor's communication requests regarding course progress and general inquiries on time.
6. Positive, proactive, or successful students will not plagiarize the work of others or use the work of their peers and claim it as their own.
7. Positive, proactive, or successful students will use the American Psychological Association (APA) system of referencing when submitting a paper.
8. Positive, proactive, or successful students will pre-plan for testing situations and ensure they can access the internet to complete the exam during its assigned date and time.
9. Students will be proactive and resourceful to solve problems in case of internet or technical issues.

Sul Ross State University Important Information

1. Official Communications

Official outside-of-class meeting communications will be delivered to the students via their SRSU e-mail. Students are responsible for checking their e-mail daily. Not having checked messages is not a valid excuse for missing coursework. Communication can also be done by appointment. IT support regarding blackboards is listed in the image below.

Who should I contact?

Online Support Desk

📞 888.837.6055
✉️ blackboardsupport@sulross.edu

Available: 24/7

- Logging into Blackboard
- Questions about Blackboard tools/software
- Trouble with tests/quizzes/assignments
- Error messages on Blackboard
- Online course video problems

Lobo Technology Assistance Center (LTAC)

📞 888.837.2882
✉️ techassist@sulross.edu

Available: Monday-Friday 8 a.m. - 5 p.m.

- Logging into your mySRSU/Banner/SRSU email
- Campus computer, computer lab, or campus Wi-Fi issues
- Security concerns with your SRSU or VPN account
- Questions about Office 365 or OneDrive



Or by clicking at <https://www.sulross.edu/bb/>.

2. Policy on Academic Misconduct

All full-time and part-time students are responsible for familiarizing themselves with the [Student Handbook](#) and the [Undergraduate & Graduate Catalog](#) and for abiding by the [University rules and regulations](#). Additionally, students are responsible for checking their Sul Ross email as an official form of communication from the university. Every student is expected to obey all federal, state and local laws and is expected to familiarize themselves with the requirements of such laws.

Students should familiarize themselves with the SRSU Student Code of Conduct. Cheating, plagiarism, and/or other form of academic misconduct are NOT TOLERATED in class. Any student found guilty of such misconduct will be subject to disciplinary action, including, but not limited to, **zero** scores on his/her class activities.

3. Special Needs

Sul Ross State University is committed to equal access in compliance with the Americans with Disabilities Act of 1973. It is the student's responsibility to initiate a request for accessibility services. Students seeking accessibility services must contact Mary Schwartze, M. Ed., L.P.C., in **Counseling and Accessibility Services**, Ferguson Hall, Room 112. The mailing address is P.O. Box C-122, Sul Ross State University, Alpine, Texas 79832. Telephone: 432-837-8691. E-mail: mschwartze@sulross.edu. **All medical information is treated confidentially.**

4. Use of AI

All assignments should be fully prepared by the student. Developing strong competencies in the skills associated with this course, from student-based brainstorming to project development, will prepare you for success in your degree pathway and, ultimately, a

competitive career. Therefore, the use of generative AI tools to complete any aspect of assignments for this course is not permitted and will be treated as plagiarism. If you have questions about what constitutes a violation of this statement, don't hesitate to get in touch with me.