

**Instructor:** Apel Mahmood Rifat (MSc, MBA)

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Email: rifata@uoguelph.ca

Class Times: Tuesday and Thursday (4.00 pm-5.20 pm).

Location: MCKN 116

Office Hours: Tuesday and Thursday 5.30 pm- 6.30 pm. Location will be posted on courselink.  
(By appointment).

**Course Overview:**

The objective of this course is to introduce the set of basic concepts commonly used in corporate finance to evaluate corporate strategies of investment and financing decisions. We will apply these concepts both inside and outside the classroom through problem-solving sessions, class discussions, and assignment. This course emphasizes applying theoretical concepts to practical scenarios. Through assignments, students will collect and analyze real-world data, use valuation techniques to assess firms, and explore how corporate finance theories inform decision-making in real contexts.

**Course Learning Outcomes:**

Upon completing this course, you are expected to be able to achieve the following learning outcomes:

1. Explain the fundamental concepts of capital structure and its impact on firm value
2. Learn different valuation technique of project and firm
3. Understand the factors influencing a firm's decision on dividend distribution and other payout mechanisms
4. Understand the process and costs of corporate debt and equity issues
5. Understand the basic concepts of options in corporate finance and their applications in financial decision-making
6. Analyze mergers and acquisitions (M&As) as a corporate strategy, including valuation and integration challenges

**Course Materials:**

1. Ross, S.A., R.W. Westerfield, J.F. Jaffe, G.S. Roberts and H. Driss, Corporate Finance, 9th Canadian Edition, McGraw-Hill Education, 2022. Required. (Ebook cost: \$69 for 180 days; \$99 lifetime; print text: \$159.95). You may use the 8th edition as well; however, the practice problems won't align properly.
2. Slides for each lecture will be posted via CourseLink.
3. Solutions to selected concept questions will be posted via D2L.

## Textbook Chapters and Topics:

Chapter 16. Capital Structure: Basic Concepts

Read 16.1, 16.2, 16.3, 16.4, 16.5

Chapter 17. Capital Structure: Limits to the Use of Debt

Read 17.1, 17.2, 17.3, 17.4, 17.5, 17.6, 17.7

Chapter 18. Valuation and Capital Budgeting for the Levered Firm

Read 18.1, 18.2, 18.3, 18.4, 18.6, 18.7

Chapter 19. Dividends and Other Payouts

Read 19.1, 19.2, 19.3, 19.4, 19.5, 19.6, 19.7, 19.10

Chapter 20. Issuing Equity Securities to the Public

Read 20.1, 20.2, 20.3, 20.4, 20.5, 20.6

Chapter 21. Long-Term Debt

Read 21.1, 21.2, 21.4, 21.5, 21.7

Chapters 23 & 24. Options and Corporate Finance: Basic Concepts, Extensions and Applications

Read 23.1, 23.2, 23.3, 23.4, 23.6, 23.7, 23.8, 23.9, 24.1

Chapter 30 Mergers and Acquisitions (M&As)

Read 30.1, 30.4, 30.5

Corporate Governance

Slides will be included

## Grading Evaluation:

Item	Weight	Due Date
Weekly short assignments	10%	Every Week Friday
Midterm exam	30%	Feb 11 (4pm-5.30pm)
Group Project	20%	March 14 <sup>th</sup>
Final Exam	40%	April 9 (8.30 am- 10.30 am)

## Schedule

\*To be adjusted as class needs arise.

Week	Dates	Chapter & Activities
1	Jan 7-9	Ch 16 Capital Structure: Basic Concepts
2	Jan 14-16	Ch 17 Capital Structure: Limits to the Use of Debt
3	Jan 21-23	Ch 18 Valuation and Capital Budgeting for the Levered Firm

			-Group Formation and Assignment
<b>4</b>	Jan 28-30	Ch 20	Issuing Equity Securities to the Public
<b>5</b>	Feb 4-6	Midterm Review	
	Feb 11-13	<b>Midterm Exam (Feb 11)</b>	
		Winter Break	
<b>6</b>	Feb 25-27	Ch 19	Dividends and Other Payouts
<b>7</b>	Mar 4-6	Ch 21	Long-Term Debt
<b>8</b>	Mar 11-13	Ch 23-24	Options and Corporate Finance: Basic Concepts, Extensions and Applications -Submission deadline of <b>Group Project (March 14)</b>
<b>9</b>	Mar 18-20	Ch 30	Mergers and Acquisitions (M&As)
<b>10</b>	Mar 25-27	Ch 29	Corporate Governance
<b>11</b>	Apr 1-3	Final Review	
	<b>Apr 9</b>	<b>Final exam (8.30 am- 10.30 am)</b>	

### Questions About Course Material

Questions or comments regarding the course material that can be of benefit to other students should be posted in the Course Questions discussion forum in CourseLink. The instructor, teaching assistants, and students are encouraged to answer these questions directly in the discussion forum for the benefit of everyone in the course.

### Weekly Assignments

Short assignments will be assigned weekly throughout the course. These assignments are designed to encourage consistent student engagement and timely participation. Grades for weekly assignments will be based on effort and punctual submission, rather than accuracy or correctness. This approach aims to foster regular interaction with course material and support continuous learning.

### Group Project

The assignment will be group-based. You need to form groups of 4-6 member. Your group should produce a written report for assignment and submit recorded presentation. The assignment will be announced in class. This project will involve all the skills you have learned over the entire course, including firm valuation, capital structure decision, dividend policy, examining stakeholder issues, making investment decisions, etc.

### Midterm & Final Exam

You are responsible for all the materials discussed in class, posted on courselink, and assigned in lectures. Textbook materials that are not covered are not required in exams. Some textbook problems may be helpful in preparing for exams. Exams are closed book. For midterm and Final exams, you may bring one piece of A4 paper “reference sheet” on which you may write on both sides. You need to make those notes by yourself and you can write anything on the notes. You may bring a calculator, but not a computer. All the exams may contain multiple choices (or true/false) and/or long questions including quantitative and non-quantitative parts. You will need pencils for Scantron in exams.

### Missing exams

Students who find themselves unable to attend the exams because of medical or personal reasons, should review the regulations on academic consideration in the Academic Calendar and discuss their situation with the instructor, program counselor or other academic counselor as appropriate.

<http://www.uoguelph.ca/registrar/calendars/undergraduate/current/c08/c08-grds.shtml>

The exams are a compulsory part of your assessment. If you miss them without a legitimate reason, your grades will be zero. However, if you miss exams for legitimate reasons or illness, the weight will be shifted proportionally to other exams you write unless you opt for a make-up exam.

### **Make-up exam**

The make-up exams are optional if you miss a Midterm exam for legitimate reasons or illness. This is for students who wish for the weights to not become larger on the remaining exams. The format of the make-up exam may not necessarily be the same as the original exam, The instructor may demand an oral exam as the make-up exam.

### **Appeals**

If you appeal to re-grade one of the midterm questions, the entire midterm test will be re-graded. This may lead to a lower or higher overall grade. The course instructor will hold office hours once grading is complete, for students to review their midterm tests, this is where appeals can be made.

## **University Policies**

### **Academic Consideration**

When you find yourself unable to meet an in-course requirement because of illness or compassionate reasons, please advise the course instructor in writing, with your name, id#, and e-mail contact. See the academic calendar for information on regulations and procedures for Academic Consideration:

<http://www.uoguelph.ca/registrar/calendars/undergraduate/current/c08/c08-ac.shtml>

### **Academic Misconduct**

The University of Guelph is committed to upholding the highest standards of academic integrity and it is the responsibility of all members of the University community, faculty, staff, and students to be aware of what constitutes academic misconduct and to do as much as possible to prevent academic offences from occurring.

University of Guelph students have the responsibility of abiding by the University's policy on academic misconduct regardless of their location of study; faculty, staff and students have the responsibility of supporting an environment that discourages misconduct. Students need to remain aware that instructors have access to and the right to use electronic and other means of detection. Please note: Whether or not a student intended to commit academic misconduct is not relevant for a finding of guilt. Hurried or careless submission of assignments does not excuse students from responsibility for verifying the academic integrity of their work before submitting it. Students who are in any doubt as to whether an action on their part could be construed as an academic offence should consult with a faculty member or faculty advisor.

The Academic Misconduct Policy is detailed in the Undergraduate Calendar:

<https://www.uoguelph.ca/registrar/calendars/undergraduate/current/c08/co8-amisconduct.shtml>

### **Accessibility**

The University of Guelph is committed to creating a barrier-free environment. Providing services for students is a shared responsibility among students, faculty and administrators. This relationship is based on respect of individual rights, the dignity of the individual and the University community's shared commitment to an open and supportive learning environment. Students requiring service or accommodation, whether due to an identified, ongoing disability or a short-term disability should contact the Student Accessibility Services as soon as possible.

For more information, contact SAS at 519-824-4120 ext. 56208 or email [accessibility@uoguelph.ca](mailto:accessibility@uoguelph.ca) or see the website: <https://wellness.uoguelph.ca/accessibility/>

### **Course Evaluation Information**

Please refer to the [Blue by Explorance system](#).

### **Recording of Materials**

Presentations which are made in relation to course work – including lectures – cannot be recorded or copied without the permission of the presenter, whether the instructor, a classmate, or guest lecturer. Material recorded with permission is restricted to use for that course unless further permission is granted.

### **Drop date**

The last date to drop one-semester courses, without academic penalty, is Friday, April 4, 2025.

For regulations and procedures for Dropping Courses, see the Academic Calendar:

<http://www.uoguelph.ca/registrar/calendars/undergraduate/current/c08/c08-drop.shtml/>

### **Equity, Diversity, and Inclusion Statement**

At the Lang School of Business and Economics, we are committed to developing leaders with a social conscience, an environmental sensibility, and a commitment to their communities. A core tenet within this vision is that diversity is a strength with which we can experience greater connection and understanding.

As such, we affirm the importance and shared responsibility of our students, faculty, and staff creating and promoting equity and inclusion within our learning spaces. Creating these kinds of learning cultures is a process, not a destination; it requires ongoing willingness on the part of each person to thoughtfully and critically listen, unlearn, learn, and engage as they are exposed to a multitude of perspectives and lived experiences. We encourage dialogues between students and instructors to address and advance opportunities for fostering greater diversity and inclusion in the learning environment. Openness to conversations with each other enables us to reflect and grow as we learn from one another respectfully and holistically.

As a department that is training the professionals of the future, we expect our learning spaces to abide by all institutional policies and guidelines, in particular those outlined by the Office of Diversity and Human Rights and the [University of Guelph Human Rights Policy](#). Discrimination and harassment, as defined by our policies, will not be tolerated. Individuals should inform the appropriate party as per University policies if they experience any such behaviours.