# Mississippi Valley State University - Department of Business Administration - Fall 2022- Course Syllabus

Course: BA 322-01 (Business Finance)

Class Time: 1:00 - 2:15 – Tuesday & Thursday

Class Meeting Place: BEB 101

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| Instructor: | N. Rajanikanth, MS, MBA |
| Office: | Business Education Building Office # 119 |
| Office Phone: | (662) 254-3601 |
| Office Hours: | M-F 9:00 am to 4:30 pm. |
| e-mail: | [raian@mvsu.edu](mailto:raian@mvsu.edu) - Email is the most effective/efficient way to contact me. You may expect an email reply from me within 24 hours. I firmly believe that prompt and quick communication leads to superior learning outcomes. |

Textbook: The text for the course is **Essentials of Corporate Finance**, Ross, Wester field & Jordon (McGraw-Hill, 10th edition).

## **Course Description**

BA 322. BUSINESS FINANCE. A study of the basic concepts of the financial management of business, topics include: ratio analysis, financial planning, time value of money, capital budgeting, cost of capital, sources of financing, working capital management, and international financial management. Students will learn how to use financial statements to assess the financial health and performance of projects and corporate entities. Students will be introduced to stock and bond valuation, capital budgeting and investment criteria, and the relation between risk and return. These concepts are the basis upon which much of finance and financial management is based.

**Prerequisites**: BA 211 and 212, AC222, BA 205, and quantitative skills at the level of intermediate algebra. If you have not completed the necessary coursework or don not feel comfortable with the requisite skills, you will find the concepts introduced in this course difficult.

**Specific Learning Goals of Business Finance:**

The successful student of Business Finance Should:

1. Understand and apply basic time value methodology to general valuation and integrated cash flow applications;
2. Understand and apply the conceptual relationship between the expected return and the relevant risk of individual assets and portfolios of assets;
3. Understand and apply the traditional valuation techniques of capital budgeting analysis in business and capital investment;
4. Understand the concept of cost of capital and financial leverage and apply those concepts in the determination of the optimal capital structure; and
5. Understand the current financial environment in which business decisions are made;

**Comprehensive Learning Goal of Business Finance**:

The successful student of Business Finance should understand and be able to apply the basic time value methodology to general valuation and other cash flow applications and employ the traditional evaluation techniques of capital budgeting analysis in business and personal capital investment decisions.

## **Reading and Homework Assignments**

Homework and reading assignments will be given consistently throughout the semester. Students are required to read the assigned chapters ahead of time and are expected to keep good notes. Based on the reading and homework assignments, class works and quizzes will be administered from time to time.

## **Grading and Exam Policies**

There will be four exams, three unit tests, and a comprehensive final. Each test is worth 100 points. The final letter grade will be determined from the weighted average of points earned from the four exams, homework, term paper, and class participation. The test dates will be announced at least one week before a testy is administered. All exams will be problem-oriented and, multiple choice, and essay questions. Makeup exams will only be given to those students who miss due to Excused absence due to university-recognized activities. All other students are required to take the exams as scheduled.

**Basis of Grading:**

Test 1 .. …………... 100 points... . . ........

Test 2 ………………100 Points……%

Test 3…………… .100points.………..

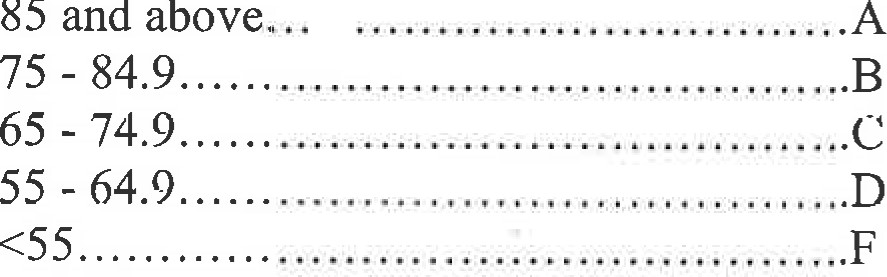
Test 4……………… 100 Points…....%

Attendance, Assignments,

Class Participation .. . 100 points..….0%

Term paper 100 points….. ...........

**Evaluation of Performance**: Grades are earned, not given. There will be ample, timely feedback with regard to your standing in the course as we progress throughout the semester. It should be obvious that attendance and participation are critical to building understanding. I expect you to come to class prepared not just listen, but to participate. If you have question, ask it. Other students will appreciate that your question resulted in clarification for the rest of the class. Finally, your grade is subject to rounding such that an 84.9999 is “B” and, 85 is an “A”



and

above

**Accommodations for Students with special needs**

Students with special needs/disabilities who require special accommodations in the classroom while taking instructions and/or tests must inform and present their cases to the instructor during the first week of class. They must also have their disabilities confirmed in writing by qualified experts and the written confirmation must be filed with the Office of Academic Affairs.

**Course Methodology:** The course will be blend of lecture and class participation. Most class meetings will include working in groups or individually to solve problems. There is a lot of material to be covered in this class. I cannot possibly cover all chapters in their entirety. Rather, I will discuss the more difficult material. Since I will often move rapidly through the material, you will benefit from reading the relevant material from the text in addition to classroom lecture.

**Incomplete Policy**: It is this class policy that INCOMPLETES be given only to students who need additional time to complete the specified assignments of this course. INCOMPLETES will not be given to those students who are not passing the course and wish to retake the course in the future.

**ATTENDANCE POLICY**: Regular and punctual attendance is required for all activities scheduled in the class. Class attendance is mandatory. Attendance will be taken at the beginning of each class. When a student accumulates as many excused or unexcused absences as the number of credit hours represented by the course, the result will be a grade of F for the course. If an emergency arises, please notify me or the departmental office manager as soon as possible.

**Cheating/Plagiarism:**

Students are expected to be honest and fair regarding all course work. Students who cheat or plagiarize materials will receive a grade of "F", and could be subject to disciplinary actions. Cheating and/or plagiarism are unacceptable and will not be tolerated. Proof of cheating and/or plagiarism will be handled with a notification to the Department Chairman. There is no exception to this rule.

**Appeal Process:** You will be given one week from the date that I return a graded quiz or exam to the class to notify me in writing of any problems with grading or assessment. This includes such things as incorrectly graded problems, poorly worded questions, unfair questions, etc. Include your name, the quiz or exam you are referring to, the question you are referring to, and a brief explanation of the problem. After one week has passed, I will not address previous quizzes or exams.

**Cell Phones/Pagers:**

Cell phones and pagers ARE NOT PERMITTED IN LECTURE. Please turn them Off before entering class Room. You are responsible for all lecture material and class assignments.

Course Grades are highly correlated with class attendance. In the case of borderline grades, class attendance, behavior, and participation will be taken into consideration.

**Course schedule and Reading Assignments (Tentative**)

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| Chapters | Objectives | Dates |
| Chapter 1 –Introduction to Financial Management | Overview of Financial Management | Week 1 |
| Chapter 2 –Financial Statements, Taxes, and Cash Flow | Understanding Financial Statements And Cash Flows | Week 2 |
| Chapter 3 – Working with Financial Statements | Financial Ratio analysis | Week 3 |
| Chapter 4 –Introduction to Valuation: Time Value of Money | Valuation of Future Cash Flows | Week 4 & 5 |
| Chapter 5 –Discounted Cash Flow Valuation | Valuation of Annuity Cash Flows | Week 5 & 6 |
| Chapter 6- Interest Rates and Bond Valuation | Valuing Bonds | Week 6 & 7 |
| Chapter 7 – Equity Markets and Stock Valuation | Valuing Common Stocks | Week 7 & 8 |
| Chapter 8- Net Present Value and Other Investment Criteria | Capital Budgeting | Week 8&9 |
| Chapter 9-Making Capital Investment Decisions | Capital Budgeting | Week 9 & 10 |
| Chapter 11-Risk and Return | Risk and Rates of Return | Week 10 & 11 |
| Chapter 12-Cost of Capital | Long-Term Financing | Week 11 & 12 |
| Chapter 13Leverage and Capital Structure | Long-Term Financing | Week 12 & 13 |
| Chapter 16-Short-term Financial Planning | Short-Term Financial Management | Week 13 & 14 |
| Chapter 17-Working Capital Management | Optional……(Assets & Liabilities) | Week 15 |



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1 Please do not miss class. Participation points will be given for class attendance and class participation. The participation points are percentage points and are added to the average score you earned on your test and exams. Take advantage of these participation points.

2. Please ask questions when the material being covered are not clear to you



3 Read the appropriate chapter or chapters of the textbook before and after lecture. Reading will help you get more out of the lecture.

4. **Financial Calculator**: You will want a financial calculator for homework and exams. You will want to bring it to each class as we will have opportunity to work some problems in class for clarification and practice. I recommend a calculator that can perform financial calculation. In class I will be using Texas Instruments BA Il Plus.

for Success: Finance is not a difficult subject to learn if you keep-up with the material weekly. You will not be able to understand the advanced concepts without investing time in learning the fundamentals. Perhaps more so than other subjects, finance is difficult to learn by cramming. If you do not do any work for the first three weeks of the course, it is very likely that you will be hopelessly lost for the remainder of the course. Here are some tips for success in this class:

1. Come to the class prepared — read the lecture slides and assigned materials BEFORE class.
2. I want you to come to the class seeking answer to your questions.

3. Spend an hour each day on this course outside class (or two hours every other day). You will spend less time in total and understand the material better than if you try to do it all the night before an exam.

1. Study in group. Answer each other's questions and take turn to explain concepts to each other and seek help right away. If you are uncertain about any of the materials covered, don't wait to ask my help (in class, by email, or see me during office hours). I will be more than happy to work with you to learn the concepts of finance.
2. Practice, practice, practice —work on end-of-chapter questions in the textbook, make study plan and stick to it.

## **Supplemental Newspaper and Magazine Readings**

* Business Week
* Wall Street Journal
* Baron's  Forbes
* Fortune
* New York Times (business section)