

Fall 2025 : Cases in Finance

Learning Objectives

The Class is designed as an applied finance class. A focus of the class will be to expose students to applying finance theory in real world settings with special emphasis on financing and its effects on risks and returns. The course will utilize a combination of lectures, cases and student projects, including team negotiation projects. Most of the learning will be from case discussions, with some of the cases derived from actual transactions worked on by the instructor. A key objective of this course is to provide sufficient in class and outside class spreadsheet based DCF analysis practice so that students can feel confident in their ability to handle simple asset valuations in a variety of settings and businesses back at their workplace. The Class will be structured in three modules:

1. Capital Budgeting – This module will refresh WACC, DCF analysis and will provide hands on spreadsheet modeling exposure to capital investment decisions. It will also provide a good foundation for the modules to follow
2. Financing – This module will seek to highlight why companies choose to finance, how it affects value and risks, and what amount of debt is optimal. Project financings will be covered in detail – what is project financing, why do companies use it, how does the process work in practice, what are the pros and cons of this method of financing versus more conventional financing options.
3. Acquisitions and Divestments – This module will provide exposure to A&D processes, how to value assets and how to structure, finance and negotiate transactions. We will cover key issues that affect value and risk for buyer and seller and the role of various stakeholders in the transactions (bankers, lawyers, advisors, consultants and financiers). Students will participate in an in-class team valuation exercise and will then in teams negotiate a sale and purchase price and key terms for a producing oil field.

Draft Lesson Plan

<u>Week, day</u>	<u>Topics covered and to be prepared</u> (numbers refer to sections in the lecture notes)
Week 1:	1: Introductions 2: Warm up mini case exercises (DCF analysis, Capital Budgeting)
Week 2:	[Team lists due!] 1: Icebreaker 2: Lecture: Applied Economic evaluations. DCF Practice Refinery case
Week 3:	1: Lecture: Applied Economic Evaluations continued 2: <i>CASE: Fuel Marketing case in class</i> <i>Homework Assignment for Week 4 –Airbus A3XX (HBS case)</i>

Week 4:	<p><i>CASE: Airbus A3XX (HBS Case)</i></p> <p>1: Case discussion</p> <p>2: Lecture: introduction to debt</p>
Week 5	<p><i>CASE: BP Amoco financing Policy Case A – Guest Speaker from BP Treasury</i></p> <p>1: Case A Discussion</p> <p>2: Lecture on financing considerations</p>
Week 6:	<p><i>CASE: Bp Amoco - Financing Development of Caspian Oil Fields</i></p> <p>1: Case Discussion, Presentations by Teams?</p> <p>2: Guest Lecture How project financing process works in practice – costs, process, players, considerations. Confidential info memo review</p> <p><i>Instructions PSV case</i></p>
Week 7:	<p><i>Teams to use the class time for negotiations with counterparty and preparing presentations</i></p> <p>1: Team Negotiations – PSV project ,</p> <p>2: Report Back</p> <p>Homework Assignment for Week 8 – HB Publishing – Cost of Capital & Capital Structure Theory</p>
Week 8:	<p>1: Lecture: Discussion on Debt, capital structure, Optimal capital structure</p> <p>2: Class group problems</p> <p>Homework Assignment for Following week– Wrigley JR Company case</p>
Week 9:	<p><i>CASE: Wrigley JR Company (Darden School)</i></p> <p>1: Case Discussion</p> <p>2: Homework Case introduction for Sale and Purchase of Oil Field</p>
Week 10	<p>Homework Assignment – submit team valuation report prior to Class time</p> <p>No Formal Class – <i>Class time to be used by teams to achieve signed negotiated deal – with key deal terms specified</i></p>
Week 11	<p>Case: Sale and Purchase of an Oil Field – Guest Speaker</p> <p>1: Team Presentations, and case discussion</p> <p>2: Lecture: Guest Lecture – Walk through of a wind farm divestment. Review of Confidential Info Memo, bid process and negotiations on an actual transaction to understand the A&D process, the role of various parties such as banks, IEs, lawyers etc.</p> <p>Homework Assignment – Read Du Pont Case</p>
Week 12	<p>Case: Du Pont Corporation: Sale of Performance Coatings (Darden School)</p> <p>(Leveraged Buy out)</p>

	1,2: Team work in class to solve case questions Homework assignment : Read Eli Lily case
Week13	Case: Du pont continued 1: Complete Du pont case 2: Lecture: Walk through of actual Shale oil field evaluation, acquisition and bid process
Week 14	Flex weed TBD
Week 15	Flex Week - TBD

Grading: Class participation 30%, Written report 30%, Negotiation Cases & Presentations 40%
Regular preparation of assigned readings and cases, class attendance, and active participation in class discussions are required.

Pre-requisites:

This is an advanced level finance course. Students should have completed a course in Corporate Finance and should be comfortable with discounted cash flow analysis in excel and with basic valuation techniques.

Instructor Qualifications: I have over 25 years of experience in the energy industry and have held a number of senior Executive and Finance roles in BP in Exploration and Production, Treasury and I Supply and Trading, including assignments in Cairo, Port of Spain (Trinidad), London, Anchorage, Chicago , Luanda and Mumbai. My last few assignments were CEO of India Gas Solutions, a 50-50 BP RIL JV for gas and LNG marketing based in Mumbai, project manager in BP's Mergers and Acquisitions group based in Houston, and CFO of Azule Energy based in Luanda. I intend to bring my experience into the classroom lessons and discussions and use my network to bring in some interesting speakers from industry to give short presentations on relevant topics through the semester.

