

GANPAT UNIVERSITY																
FACULTY OF MANAGEMENT STUDIES																
Programme		Bachelor of Business Administration				Branch / Spec.		Finance								
Semester		IV				Version		1.0.0.0								
Effective from Academic Year			2025-26			Effective for the Batch Admitted in			July 2024							
Subject Code		BFIN204		Subject Name			Behavioural Finance									
Teaching Scheme						Examination Scheme (Marks)										
(Per week)		Lecture (DT)		Practical (Lab.)		Total			CE	SEE	Total					
	L	TU	P	TW												
Credit	04	00	00	00		04	Theory	50	50	100						
Hours	04	00	00	00		04	Practical	00	00	00						
Pre-requisite:																
Basic knowledge of finance, economics and decision-making principles.																
Objective:																
The course aims to help students understand the impact of psychological biases and irrational behaviors on financial decision-making, market anomalies, investor behavior and corporate finance.																
Learning Outcomes/Course Outcomes::																
On successful completion of the course, the students will be able to:																
CO1- Understand the fundamentals of Behavioural Finance.																
CO2- Analyze the impact of psychological biases on financial decision-making and investor behavior.																
CO3- Evaluate investor behavior and its influence on market trends.																
CO4- Apply behavioural finance concepts to investment strategies, corporate finance, and financial planning.																
Mapping of PO-CO and PSO-CO:																
	Course Outcome (CO) No.	PO-CO Mapping								PSO-CO Mapping						
		PO1	PO2	PO3	PO4	PO5	PO6	PO7	PO8	PSO1	PSO2	PSO3	PSO4	PSO5	PSO6	
		CO1	3	2	1	2	1	2	3	3	3	2	3	2	2	3
		CO2	3	2	1	3	1	2	3	3	3	3	3	2	2	3
		CO3	2	2	1	2	1	2	3	3	2	3	3	2	2	3
		CO4	3	2	1	3	1	2	3	3	3	3	3	2	2	3
Theory Syllabus																
Unit	Content										Hrs.					
1.	Introduction to Behavioural Finance Definition and importance of behavioural finance; Traditional finance vs. Behavioural finance; Foundations of rational decision-making in finance; Prospect theory and loss aversion (Kahneman & Tversky); Market anomalies and inefficiencies.										15					
2.	Psychological Biases in Financial Decision-Making Cognitive biases: Overconfidence, anchoring, availability heuristic, confirmation bias; Emotional biases: regret aversion, endowment effect, status quo bias; Herding behaviour in investment decisions; Role of fear and greed in financial markets; Impact of biases on stock market bubbles and crashes.										15					
3.	Investor Behaviour and Market Implications Investor sentiment and market trends; Behavioural portfolio theory; Heuristics in investment decisions; Framing effects in financial decision-making; Role of culture and social influence on investor behaviour.										15					
4.	Applications of Behavioural Finance Behavioural corporate finance: Managerial decision-making; Role of behavioural finance in wealth management; Nudging and behavioural interventions in financial planning; Behavioural biases in personal finance and retirement planning.										15					
	Exam: Theory 100%															
Text Books:																
	Kapoor, S., & Prosad, J. M. (2017). <i>Behavioural Finance</i> . Sage Publications.															

	Ackert, L. F., & Deaves, R. (2010). <i>Behavioral Finance: Psychology, Decision-Making, and Markets</i> . South-Western Cengage Learning.
Reference Books:	
	<p>Kahneman, D., & Tversky, A. (2011). <i>Thinking, Fast and Slow</i>. Farrar, Straus and Giroux.</p> <p>Montier, J. (2007). <i>Behavioural Investing: A Practitioner's Guide to Applying Behavioural Finance</i>. Wiley.</p> <p>Pompian, M. M. (2012). <i>Behavioral Finance and Wealth Management: How to Build Optimal Portfolios That Account for Investor Biases</i>. Wiley.</p> <p>Shefrin, H. (2000). <i>Beyond Greed and Fear: Understanding Behavioral Finance and the Psychology of Investing</i>. Harvard Business School Press.</p> <p>Shleifer, A. (2000). <i>Inefficient Markets: An Introduction to Behavioral Finance</i>. Oxford University Press.</p> <p>Thaler, R. H. (2005). <i>Advances in Behavioral Finance, Volume II</i>. Princeton University Press.</p>
Online Resource:	
	https://onlinecourses.swayam2.ac.in/imb25_mg37/preview(Behavioural Finance-By Prof. Shikta Singh)