

**NIRMA UNIVERSITY**  
**Institute of Management**  
**Master of Business Administration (Full Time) Programme/**  
**Integrated Bachelor of Business Administration-Master of Business**  
**Administration Programme/**  
**Master of Business Administration (Family Business &**  
**Entrepreneurship) Programme**

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| <b>Course Code</b>  | <b>MFT5SEEF02 MBM5SEEF02 MFB5SEEF02</b> |
| <b>Course Title</b> | <b>Behavioural Finance</b>              |

**Course Learning Outcomes (CLO):**

At the end of the course, students will be able to:

- 1.Explain the role of cognitive biases.
- 2.Evaluate the impact of behavioural issues on decisions.
- 3.Develop experiments to study behavioural aspects of decisions.

**Syllabus**

**Teaching Hours**

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| <p><b>Unit I: Introduction</b></p> <ul style="list-style-type: none"> <li>• Limitations of traditional theories</li> <li>• Cognitive biases in Preferences and Beliefs</li> <li>• Overconfidence, Disposition effect, Risk, Herding</li> <li>• Prospect Theory</li> </ul> | 07 |
| <p><b>Unit II: Applications</b></p> <ul style="list-style-type: none"> <li>• Markets</li> <li>• Returns on economic assets</li> <li>• Saving and Investment</li> <li>• Corporate governance</li> <li>• Corporate decision making</li> </ul>                               | 08 |

**Suggested Readings:**

1. Nofsinger, J.,*The Psychology of Investing*. Pearson India.
2. Shefrin, H.,*Behavioural Corporate Finance*. McGraw-Hill.
3. Forbes, W.,*Behavioural Finance*. John Wiley.
4. Ackert, L. and Deaves, R.,*Behavioural Finance: Psychology, Decision-Making, and Markets*. South-Western.