

S.P. Mandali's

**R. A. PODAR COLLEGE OF COMMERCE AND
ECONOMICS (AUTONOMOUS),**

Matunga, Mumbai-400019

Course Structure

For

Post Graduate Program

M.Com. (Behavioural Finance)

Semester II

www.rapodar.ac.in

S.P. MANDALI'S
R. A. PODAR COLLEGE OF COMMERCE AND ECONOMICS
(AUTONOMOUS),
MATUNGA, MUMBAI-400019

Syllabus
And
Question Paper Pattern of Course
Post Graduate Program

M.Com. (Behavioural Finance)
Semester II

Syllabus as per National Education Policy 2020
To be implemented from Academic Year 2025-2026

www.rapodar.ac.in

POST GRADUATE PROGRAM OUTCOMES:

PROGRAM OUTCOME No.	Description
PO 1	Learners will acquire advanced knowledge in accounting principles, financial reporting, and taxation policies
PO 2	Learners will master the effective communication of complex financial information to diverse stakeholders through oral and written means
PO 3	Learners will develop critical thinking skills to analyze financial statements, interpret accounting regulations, and propose strategic financial solutions.
PO 4	Learners will apply accounting principles to solve real-world financial challenges and make informed business decisions.
PO 5	Learners will employ analytical reasoning to interpret financial data, assess business performance, and support strategic planning.
PO 6	Learners will excel in conducting advanced research in accounting, showcasing proficiency in data collection, analysis, and interpretation.
PO 7	Learners will collaborate effectively with interdisciplinary teams to address complex accounting issues and achieve organizational goals.
PO 8	Learners will apply scientific reasoning to evaluate and propose innovative financial strategies and models.
PO 9	Learners will engage in reflective thinking, identifying areas for improvement and continuous learning in the field of accountancy.
PO 10	Learners will leverage digital tools for effective access, evaluation, and synthesis of financial information.
PO 11	Learners will take initiative in ongoing professional development, engaging in self-directed learning to stay updated with evolving accounting standards.
PO 12	Learners will demonstrate multicultural competence, showing sensitivity to diverse cultural perspectives in the global business environment.
PO 13	Learners will exhibit a strong ethical foundation, making decisions with integrity and considering the societal impact of financial practices.
PO14	Learners will showcase leadership qualities, being capable of guiding financial teams and contributing to organizational success.

PO15	Learners will recognize the importance of continuous learning, adapting to advancements in the field of accountancy throughout their professional careers.
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M.Com
(Behavioural Finance)
Under Choice Based Credit Grading and Semester System
Course Structure

M.Com – I

No. of courses	Semester I	Credits	No. of Courses	Semester II	Credits
<i>Mandatory</i>			<i>Mandatory</i>		
1	Introduction to Behavioural Finance	06	1	Behavioural Finance II	06
2	Psychological Aspects of Investing	06	2	Introduction to Data Science - I	06
3	Business Ethics	02	3	Corporate Social Responsibility	02
<i>Electives</i>			<i>Electives</i>		
4	R – Lab Course	04	4	Behavioural Economics	04
<i>Research Methodology</i>			<i>Research Methodology</i>		
5	Research Methodology for Business	04	----	-----	
<i>On Job Training / Field Project</i>			<i>On Job Training / Field Project</i>		
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	Total Credits	22		Total Credits	22

M.Com-II

No. of courses	Semester III	Credits	No. of Courses	Semester IV	Credits
Mandatory			Mandatory		
1	Risk Management in Behavioural Finance	06	1	Personal Finance and Wealth Management	06
2	Financial Frauds	06	2	Behavioural Finance in Investment Markets	06
Electives (Any One)			Electives (Any One)		
3	*Any one course from the following list of courses A. Machine Learning and Mining Algorithms B. Financial Accounting and Analysis C. Behavioural Approaches to Decision Making	04	3	*Any one course from the following list of courses A. Advance Data Science – II B. Analytics for Investment Banking C. Supply Chain Design and Management	04
Research Methodology			Research Methodology		
4	Statistical Tools and Techniques	02	----	-----	
Research Project			Research Project		
	Research Project/Internship	04		Research Project	06
	Total Credits	22		Total Credits	22

Note: Project work is considered as a special course involving application of knowledge in solving/analyzing/exploring a real life situation/difficult problem. Project work would be of 06 credits. A project work maybe undertaken in any area of Elective Courses.

*Revised Syllabus of Courses of Master of Commerce (M.Com) Behavioral Finance
Program at Semester II*

1. Behavioral Finance II

Modules at a Glance

SN	Modules/ Units	No. of Lectures
	Modules	
1	Introduction	15
2	Building block of Behavioural Finance	15
3	Rationality from an economics and evolutionary prospective	15
4	External factors and investor behaviour	15
	Total	60

Objectives

SN	Objectives
1	Students will be familiarize with basic aspects of behavioral finance
2	Students understand about building block of behavioral finance
3	To familiarize with external factors and investor behavior

Course Outcome No.	Course Outcomes
CO 1	Understand the nature, scope, objectives, and significance of behavioral finance: Explain the key concepts, theories, and principles of behavioral finance and its application in understanding investor behavior and financial market dynamics. Recognize the historical development of behavioral finance as a field of study.
CO 2	Analyze the psychology of financial markets: Describe the concept of psychology in financial markets and understand how psychological factors, such as emotions, biases, and sentiment, influence investor behavior and market outcomes.
CO 3	Analyze the building blocks of behavioral finance: Understand the role of cognitive psychology in behavioral finance and its influence on investor behavior.
CO 4	Evaluate the limits to arbitrage, including the demand by arbitrageurs, risk considerations, transaction costs, and noise-trader risk.

SN	Modules/ Units
1	Introduction
	Behavioural Finance: Nature, Scope, Objectives and Significance & Application- History of Behavioural Finance, Psychology: Concept, Nature, Importance, The psychology of financial markets, The psychology of investor behaviour, Behavioural Finance Market Strategies, Prospect Theory, Loss aversion theory under Prospect Theory & mental accounting— investors Disposition effect .
2	Building block of Behavioural Finance
	Cognitive Psychology and limits to arbitrage - Demand by arbitrageurs: Definition of arbitrageur; Long-short trades; Risk vs. Horizon; Transaction costs and short-selling costs; Fundamental risk; Noise-trader risk; Professional arbitrage; Destabilizing informed trading (positive feedback, predation) - Expected utility as a basis for decision-making - The evolution of theories based on expected utility concept
3	Rationality from an economics and evolutionary prospective
	Elsberg’s paradoxes, Rationality from an economics and evolutionary prospective- Different ways to define rationality: dependence on time horizon, individual or group rationality - Herbert Simon and bounded rationality - Demand by average investors: Definition of average investor; Belief biases; Limited attention and categorization; Non-traditional preferences – prospect theory and loss aversion; Bubbles and systematic investor sentiment
4	External factors and investor behaviour
	External factors and investor behaviour: Fear & Greed in Financial Market, emotions and financial markets: geomagnetic storm, Statistical methodology for capturing the effects of external influence onto stock market returns-

Suggested Readings

- Finding Financial Wisdom in Unconventional Places (Columbia Business School Publishing)
- Bisen, pandey- Learning Behavioural Finance (Excel Books)
- A History of Financial Speculation: Edward Chancellor
- Forbes- Behavioural Finance (Wiley India)
- The Little Book of Behavioral Investing (Montier)
- The Psychology of Persuasion (Collins Business Essentials)
- Behavioural Finance: Understanding the social, cognitive and economic debates, Edwin Burten and Sunit N Shah, Wiley, 2013
- Behavioural Finance, Chandra. Prasanna. McGraw Hill

EXAMINATION PATTERN

(Under Choice Based Credit, Grading and Semester System)

(With effect from Academic Year: 2024-2025)

(Evaluation pattern)

1. Continuous Internal Evaluation System:

Continuous Internal Evaluation (CIE)	40 Marks
The internal evaluation of 40 marks for M.Com for each semester would be of tests and of class participation, projects, case study analysis, Case lets, PowerPoint presentations, group discussion, book review, Research paper, article analysis and any other mode depending on the nature and scope of the course. Continuous Internal Evaluation (CIE), to be conducted by the subject teacher all through the semester. The total mark break up would be suitably divided and the total marks scored by the learner would be submitted to the Controller of Examination.	

2. Question Paper Pattern (Practical/ Theory Courses) :

Maximum Marks: 60

Questions to be set: 04

Durations: 02 hrs

All Questions are compulsory carrying 15 Marks each:

Question No	Particulars	Marks
Q1	A) Practical/ Theory Question	15 Marks
	OR B) Practical/ Theory Question	15 Marks
Q2	A) Practical/ Theory Question	15 Marks
	OR B) Practical/ Theory Question	15 Marks
Q3	A) Practical/ Theory Question	15 Marks
	OR B) Practical/ Theory Question	15 Marks
Q4	A) Practical/ Theory Question	15 Marks
	OR B) Practical/ Theory Question	15 Marks

Note: Full-length questions of 15 Marks may be divided into two sub-questions of 08 and 07 marks.

*Syllabus of Courses of Master of Commerce (M.Com) Behavioral Finance Program at
Semester II*

2. Corporate Social Responsibility

Modules at a Glance

SN	Modules	No. of Lectures
1	Introduction to Corporate Social Responsibility	15
2	Areas of CSR and CSR Policy	15
Total		30

SN	Objectives
1	To familiarize the learners with the concept and relevance of Business Ethics in the modern era
2	To enable learners to understand the scope and complexity of Corporate Social responsibility in the Global and Indian context

Course Outcome No.	Course Outcomes
CO 1	Identify different models and approaches for implementing CSR, such as corporate philanthropy, strategic CSR, shared value approach, and stakeholder engagement.
CO 2	Understand the drivers that motivate organizations to engage in CSR initiatives.
CO 3	Analyze the provisions of Section 135 of the Indian Companies Act, which mandates CSR spending by certain companies. Recognize prestigious awards and certifications for CSR initiatives in India.

SN	Modules/ Units
1	Introduction to Corporate Social Responsibility
	Corporate Social Responsibility: Concept, Scope & Relevance and Importance of CSR in Contemporary Society. Corporate philanthropy, Models for Implementation of CSR, Drivers of CSR, Prestigious awards for CSR in India. CSR –legislation in India and world. Sec 135. Organization citizenship Behaviour in the work place. Role of NGO's and International Agencies in CSR, Integrating CSR into Business
2	Areas of CSR and CSR Policy
	CSR towards Stakeholders-- Shareholders, Creditors and Financial Institutions, Government, Consumers, Employees and Workers, Local Community and Society. CSR and environmental concerns. Designing CSR Policy- Factors influencing CSR Policy, Role of HR Professionals in CSR Global Recognitions of CSR- ISO- 14000-SA 8000 – AA 1000 – Codes formulated by UN Global Compact – UNDP, Global Reporting Initiative; major codes on CSR. CSR and Sustainable Development CSR through Triple Bottom Line in Business

Suggested Readings

- Mallin, Christine A. Corporate Governance (Indian Edition) Oxford University press. New Delhi
- Blow field ,Michael and Alan Murray, Corporate Responsibility, Oxford University Press,
- Philip Kotler and Nancy Lee, CSR : doing the most good for Company and your cause , Wiley 2005
- Beeslory, Michel and Evens, CSR , Taylor and Francis, 1978
- Subhabrata Bobby Banerjee, CSR: the good, the bad and the ugly. Edward Elgar Publishing 2007
- Joseph A. Petrick and John F. Quinn, Management Ethics- Integrity at work , Sage Publication ,1997
- Francesco Perrini, Stefano and AntonioTencati, Developing CSR- A European Perspective , EdwardElgar.
- William B. Werther, Jr. David Chandler, Strategic Corporate Social Responsibility, stakeholders' aglobal environment, Sage Publication, 2009.
- Ellington. J. (1998), Cannibals with forks: The triple bottom line of 21st Century business, NewSociety Publishers.
- Crane, A. Et al., (2008), The Oxford handbook of Corporate Social Responsibility, New York:Oxford University Press Inc.

EXAMINATION PATTERN

(Under Choice Based Credit, Grading and Semester System)

(With effect from Academic Year: 2024-2025)

(Evaluation pattern)

1. Continuous Internal Evaluation System:

Continuous Internal Evaluation (CIE)	40 Marks
The internal evaluation of 40 marks for M.Com for each semester would be of tests and of class participation, project, case study analysis, Case lets, PowerPoint presentations, group discussion, book review, Research paper, article analysis and any other mode depending on the nature and scope of the course. Continuous Internal Evaluation (CIE), to be conducted by the subject teacher all through the semester. The total mark break up would be suitably divided and the total marks scored by the learner would be submitted to the Controller of Examination.	

2. Question Paper Pattern (Practical/ Theory Courses) :

Maximum Marks: 60

Questions to be set: 04

Durations: 02 hrs

All Questions are compulsory carrying 15 Marks each:

Question No	Particulars	Marks
Q1	A) Practical/ Theory Question	15 Marks
	OR B) Practical/ Theory Question	15 Marks
Q2	A) Practical/ Theory Question	15 Marks
	OR B) Practical/ Theory Question	15 Marks
Q3	A) Practical/ Theory Question	15 Marks
	OR B) Practical/ Theory Question	15 Marks
Q4	A) Practical/ Theory Question	15 Marks
	OR B) Practical/ Theory Question	15 Marks

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3. Behavioral Economics

Modules at a Glance

SN	MODULES	No. of Lectures
1	Introduction to Behavioral Economics	15
2	Foundation	15
3	Strategic Interaction	15
	TOTAL	45

SN	Objectives
1	To be able to understand the world through the lens of behavioral economics.
2	To know when the application of behavioral economics is appropriate.
3	To be able to critically read and use the academic literature in behavioral economics.

Course Outcome No.	Course Outcomes
CO 1	Analyze individual decision-making processes, understand the influence of biases and heuristics, and apply behavioral economics concepts to various real-world applications.
CO 2	Develop skills in analyzing strategic interactions and modeling social preferences, with implications for decision-making and policy design.
CO 3	Analyze distributional social preferences based on altruism and inequality aversion. Explore models of reciprocity and their implications for social behavior
CO 4	Evaluate evidence and policy implications based on models of social preferences.

SN	Modules/ Units
1	Introduction to behavioural economics
	What is behavioural economics? - History and evolution- relation with other disciplines objectives, and scope- themes and methodology of behavioural economics (theory, evidence, consilience) – application
2	Foundation
	Values, preferences and choice- believes- heuristic and biases- state dependent preferences (such as habit formation and addiction)- mis-prediction and projection bias-anticipation and information avoidance-decision making under risk and uncertainty- prospect theory- the role of reference- dependent preference in both risky (loss aversion) and risk free (endowment) choices- mental accounting- applications
3	Strategic interaction
	Behavioural game theory (nature, equilibrium, mixed strategies, bargaining, iterated games, signalling, learning)- application Modelling of social preferences –nature and factors affecting social preferences distributional social preferences based on altruism, inequality aversion models- reciprocity models, evidence and policy implications

Suggested Readings

- An introduction to behavioural economics by Wilkinson and Klaes, Palgrave MacMillan
- Behavioural Economics and Finance, by Michelle Beddeley, Routledge, 2019
- Behaviour economics and business ethics- interrelation and application by Alexander Rajko, Routledge, London, 2012
- Philosophical problems of behavioural economics by Steffan Heidel, Routledge, 1996
- Varieties of modern economic rationality – from Adam Smith to Contemporary
- Behavioural and evolutionary economists by Michael S Zoubulakis, Routledge, 1997
- Behavioural foundations of economics by J.L. Buxter, MacMillan Press,
- Choice, Behavioural economics and addiction, edited by Ruby E Vachinich and Nick Heather, Pergamon Elsevier, 2003,
- Advance in understanding strategic behaviour- game theory experiments and bounded rationality, edited by Steffan Huck, Palgrave, MacMillan, 2004

EXAMINATION PATTERN

(Under Choice Based Credit, Grading and Semester System)

(With effect from Academic Year: 2024-2025)

(Evaluation pattern)

1. Continuous Internal Evaluation System:

Continuous Internal Evaluation (CIE)	40 Marks
<p>The internal evaluation of 40 marks for M.Com for each semester would be of tests and of class participation, project, case study analysis, Case lets, PowerPoint presentations, group discussion, book review, Research paper, article analysis and any other mode depending on the nature and scope of the course. Continuous Internal Evaluation (CIE), to be conducted by the subject teacher all through the semester. The total mark break up would be suitably divided and the total marks scored by the learner would be submitted to the Controller of Examination.</p>	

2. Question Paper Pattern (Practical/ Theory Courses) :

Maximum Marks: 60

Questions to be set: 04

Durations: 02 hrs

All Questions are compulsory carrying 15 Marks each:

Question No	Particulars	Marks
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2. Introduction to Data Science I

Modules at a Glance

SN	Modules	No. of Lectures
1	Introduction	15
2	Data Collection and Data Pre-Processing	15
3	Model Development	15
4	Model Evaluation	15
Total		60

SN	Objectives
1	To familiarize the learners with the concept and Foundation of Data Science
2	To enable learners to understand the scope and complexity of data science
3	To Identify the stages involved in a data science project.
4	To Understand the limitations and uncertainties associated with predictions based on regression models.

Course Outcome No.	Course Outcomes
CO 1	Learn the importance of data pre-processing in ensuring data quality, consistency, and compatibility for analysis.
CO 2	Recognize the issues of overfitting and underfitting and their impact on model performance. Select appropriate models using model selection techniques.
CO 3	Applying polynomial regression and using pipelines for data preprocessing and modeling. Understand the benefits and limitations of these techniques.
CO 4	Understand the limitations and uncertainties associated with predictions based on regression models.

SN	Modules/ Units
1	Introduction to Data Science
	What is Data Science? Introduction to Data Science – Evolution of Data Science – Data Science Roles – Stages in a Data Science Project – Applications of Data Science in various fields – Data Security Issues.
2	Data Collection and Data Pre-Processing
	Data Collection Strategies – Data Pre-Processing Overview – Data Cleaning – Data Integration and Transformation – Data Reduction – Data Discretization.
3	Model Development
	Simple and Multiple Regression – Model Evaluation using Visualization – Residual Plot – Distribution Plot – Polynomial Regression and Pipelines – Measures for In-sample Evaluation – Prediction and Decision Making
4	Model Evaluation
	Generalization Error – Out-of-Sample Evaluation Metrics – Cross Validation – Overfitting – Under Fitting and Model Selection – Prediction by using Ridge Regression – Testing Multiple Parameters by using Grid Search.

Suggested Readings

- Jojo Moolayil, “Smarter Decisions: The Intersection of IoT and Data Science”, PACKT, 2016.
- Cathy O’Neil and Rachel Schutt , “Doing Data Science”, O’Reilly, 2015.
- David Dietrich, Barry Heller, Beibei Yang, “Data Science and Big data Analytics”, EMC 2013
- Raj, Pethuru, “Handbook of Research on Cloud Infrastructures for Big Data Analytics”, IGI Global.

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(Under Choice Based Credit, Grading and Semester System)

(With effect from Academic Year: 2024-2025)

(Evaluation pattern)

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2. Question Paper Pattern (Practical/ Theory Courses) :

Maximum Marks: 60

Questions to be set: 04

Durations: 02 hrs

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Q4	A) Practical/ Theory Question	15 Marks
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*Syllabus of Courses of Master of Commerce (M.Com) Behavioral Finance Program at
Semester II*

5. Behavioral Finance Based Projects

Inclusion of project work in the course curriculum of the M.Com. program is one of the ambitious aspects in the program structure. The main objective of inclusion of project work is to inculcate the element of research work challenging the potential of learner as regards to his/ hereager to enquire and ability to interpret particular aspect of the study in his/ her own words. It is expected that the guiding teacher should undertake the counselling sessions and make the awareness among the learners about the methodology of formulation, preparation and evaluation pattern of the project work.

Guidelines for preparation of Project Work

Work Load

Work load for Project Work is 01 (one) hour per batch of 15-20 learners per week for the teacher. The learner (of that batch) shall do field work and library work in the remaining 03 (three) hours per week.

1. General guidelines for preparation of project work based on Behavioral Finance

- The project topic may be undertaken in any area of Elective Courses.
- Each of the learners has to undertake a Project individually under the supervision of a teacher-guide.
- The learner shall decide the topic and title which should be specific, clear and with definite scope in consultation with the teacher-guide concerned.
- University/college shall allot a guiding teacher for guidance to the students based on her / his specialization.
- The project report shall be prepared as per the broad guidelines given below:
 - Font type: Times New Roman
 - Font size: 12-For content, 14-for Title
 - Line Space : 1.5-for content and 1-for in table work
 - Paper Size: A4
 - Margin : in Left-1.5, Up-Down-Right-1
- The Project Report shall be bounded.
- The project report should be 60 to 80 pages.

