

Behavioural finance is a new theoretical field which seeks to apply the understandings of the psychologists to recognize the behaviour of both investors and financial markets. It concentrates upon how investor is aware and acts on information to take investment decisions and that their behaviours reason them to make changed Selection about their financial decisions. Investors do not act sensibly in taking verdicts relating to investment. They have positive weaknesses like cognitive and emotional which take a predominating function in taking investment decision of individuals. They have behavioral biases in the event of taking investment decision. In this present paper researchers examines "Effect of Behavioral Biases on Investor's Preference Regarding 80C Tax Saving Instruments in Surat City.". Researcher has studied behavioral biases of investors investing in 80C tax saving instruments by conducting the survey with sample size of 100 investors through a well-structured questionnaire in Surat city. The sampling method used was convenient sampling through personal survey method by contacting investors of Surat city. The purpose of this study was to find out behavioral biases of investors while investing in tax saving 80C instruments in Surat City.