

MICRO ECONOMICS

Editor

Prof. M. Anitha

Department of Economics, YV. University, Kadapa

Authors

Dr. T. SudarsanaReddy

Department of Economics, YV. University, Kadapa

Dr. N. Ganesh Naik

Department of Economics, YV. University, Kadapa

Dr. B. Subbarayudu

Govt. Degree College, Mydukur



DIRECTORATE OF DISTANCE EDUCATION

Yogi Vemana University

Vemanapuram, Y.S.R Kadapa, AP -516 005

Director
DIRECTORATE OF DISTANCE EDUCATION
Yogi Vemana University
Vemanapuram, Y.S.RKadapa, AP -516 005

Brief Contents

MICRO ECONOMICS

Unit-I Demand Analysis and Consumer Behaviour

- a) Micro Economics and Macro Economics. The methods of economics analysis: Static, dynamic and comparative static methods.
- b) Marshallian Analysis, Indifference curve Analysis, Consumers Surplus Marshall & Hicks, Revealed Preference Approach Hick's Logic Ordering Theory of Demand-Neuman-Morgenstern utility analysis - Friedman and Savage Hypothesis Markowitz Hypothesis.

Unit II The Elasticity of Demand

Price Elasticity of Demand; Cross Elasticity of Demand; Income Elasticity of Demand; Factors Affecting Price Elasticity of Demand; Importance of the Concept of Price Elasticity

Unit III The Theory of Production and Costs

- a) The Production Function and the Law of Returns, the Law of Variable Proportions - The Linear Homogeneous Production Function and the C.E.S Function.
- b) Cost Functions of a Firm: The costs of the firm in the short and the long run - The Modern Theory of Costs
- c) Equilibrium of the Firm - The Price of a Factors Isoquants and Isocosts Income and Substitution Effects in the theory of production.

Unit IV Price and Output Determination

- a) The Pricing of Goods: Classifications of Markets, Pure Competitions, Perfect Competitions, Imperfect Competitions, Monopoly, Monopolistic Competition, Oligopoly Duopoly.
- b) The Pricing of Factors: a) Demand of Factors of Production, Marginal Productivity Theory of Distribution, The Adding up problem. b) Theories of Rent, Wages, Interest and Profits.

Unit V Theories of General Equilibrium and Welfare Economics

- a) Meaning of Equilibrium Static and Dynamic Equilibrium Partial and general Equilibrium Equilibrium of Exchange and consumption General Equilibrium and Relative Prices.
- b) Pigovian Welfare Economics Pareto Optimal Theory Kaldor Hicks Compensation Principle- Social Welfare Function The Theory of Second Best.

Detailed Contents

MICRO ECONOMICS

UNIT– I Demand Analysis and Consumer Behaviour

1.0	Introduction	1.1
1.1	Micro Economics and Macro Economics	1.2
1.1.1	Micro Economics	1.2
1.1.2	Macro Economics	1.5
1.2	The Methods of Economics Analysis: Static, Dynamic and Comparative Static Methods	1.9
1.3	Marshallian Analysis	1.15
1.4	Indifference Curve Analysis	1.22
1.4.1	Assumptions of Indifference Curve Analysis	1.23
1.4.2	Indifference Curve Schedule	1.23
1.4.3	Indifference Curve	1.24
1.4.4	Properties of Indifference Curve	1.24
1.4.5	Indifference Curves are Downward Sloping	1.24
1.4.6	No Two Indifference Curves Cut Each Other	1.26
1.4.7	Higher Indifference Curve Represents Higher Level of Satisfaction	1.27
1.4.8	Indifference Curve will not Touch either X-axis or Y-axis	1.27
1.4.9	Indifference Curve neednot be Parallel to Each Other	1.28
1.4.10	Indifference Curves are Convex to Origin	1.28
1.5	Consumer Surplus Marshall and Hicks	1.29
1.6	Revealed Preference Approach	1.41
1.7	Hick's Logic ordering Theory of Demand	1.51
1.8	Neuman Morgenstem utility Analysis	1.57
1.9	Friedman and Savage Hypothesis Markowitz Hypothesis	1.60
1.9.1	Friedman and Savage Hypothesis	1.60
1.9.2	Markowitz Hypothesis	1.62
1.10	Summary	1.63
1.11	Keywords	1.63
1.12	Review Questions	1.65

UNIT – II The Elasticity of Demand

2.0	Introduction	2.66
2.1	Demand Analysis	2.66
	2.1.1 Meaning of Demand	2.67
	2.1.2 Types of Demand	2.68
	2.1.3 Determinants of Demand	2.71
	2.1.4 The Law of Demand	2.73
2.2	Elasticity of Demand	2.76
	2.2.1 Advertising Elasticity of Demand or Promotional Elasticity of Sales	2.77
	2.2.2 Determinants of Advertisement Elasticity	2.79
2.3	Price Elasticity of Demand	2.79
	2.3.1 Degrees of Price Elasticity	2.80
	2.3.2 Factors Determining Price Elasticity of Demand	2.82
	2.3.3 Measurement of Price Elasticity of Demand	2.84
	2.3.4 Properties of Elasticity of Demand	2.92
2.4	Income Elasticity of Demand	2.94
2.5	Cross Elasticity of Demand	2.97
2.6	Importance of Elasticity of Demand	2.100
	2.6.1 Important to Businessmen	2.100
	2.6.2 Prices of Factors of Production	2.100
	2.6.3 International Trade	2.100
	2.6.4 Taxes on Commodities	2.100
	2.6.5 In Case of Joint Products	2.101
2.7	Summary	2.101
2.8	Keywords	2.101
2.9	Review Questions	2.102

UNIT – III The Theory of production and Costs

3.0	Introduction	3.103
3.1	Production function	3.103
3.2	Law of Returns	3.104
	3.2.1 Importance of the Law of Diminishing Returns	3.114
	3.2.2 The Law of Diminishing Returns applicable to Agriculture	3.114
	3.2.3 The law of increasing Returns operates in Industry only	3.115

3.3	Law of returns to scale	3.116
3.4	Law of variable proportion or Production Function with one variable	3.119
3.5	The Linear Homogeneous Production Function	3.123
3.6	Constant Elasticity of Substitution (CES) production Function	3.124
3.7	Cobb-Douglas Production Function	3.125
	3.7.1 Significance of Cobb-Douglas Production Function	3.126
	3.7.2 Production Function	3.127
3.8	Cost Concepts and its Determinants	3.129
	3.8.1 Cost Function	3.133
3.9	Cost-Output Relationship in the short run and long run	3.133
	3.9.1 Cost Output Relationship and Cost Curves in the Short Run	3.134
	3.9.2 Relation between AC and MC	3.140
	3.9.3 Cost Output Relationship in the Long run	3.142
	3.9.4 Production Cost Difference in the Short run and Long run	3.143
3.10	Cost-Output relation in Long Run	3.146
3.11	The Modern Theory of Costs	3.147
3.12	Production Function - II With Two Variables or ISO - Quant Analysis	3.155
	3.12.1 Iso-Cost Line	3.161
	3.12.2 Marginal Rate of Technical Substitution (MRTS)	3.163
	3.12.3 Producer's Equilibrium	3.164
3.13	Effects in the theory of Production	3.166
3.14	Summary	3.172
3.15	Keywords	3.172
3.16	Review Questions	3.175
 UNIT- IV Price and Output Determination		
4.0	Introduction	4.175
4.1	Definitions of Market	4.175
	4.1.1 Market Classifications	4.176
4.2	Nature of Competition	4.178
	4.2.1 Types of Competition	4.178
4.3	Pure Competition	4.183
4.4	Price and Output Determination, Under Perfect Competition	4.184

4.4.1	Equilibrium of the Firm in the Short-run	4.188
4.4.2	Equilibrium of the Industry in the Short-run	4.192
4.4.3	Equilibrium of both the Firm and the Industry	4.195
4.4.4	Optimum Firm	4.196
4.4.5	Competitive Industry in Short-Run	4.197
4.5	Price and Output Determination Under Monopoly	4.199
4.5.1	Elasticity's of Monopoly	4.202
4.5.2	Profit Positions in Monopoly	4.202
4.5.3	Equilibrium Position both in Short-run and Long-run under Monopoly	4.205
4.6	Price and Output Determination Under Discriminating Monopoly	4.207
4.6.1	The Consequences of Monopoly	4.209
4.6.2	Control of Monopoly	4.211
4.7	Meaning of Monopolistic Competition	4.212
4.7.1	Equilibrium level of an Individual Firm	4.213
4.7.2	Equilibrium Level of an Group of Firms under Monopolistic Competition	4.214
4.7.3	Price and Output Determination under Monopolistic Competition	4.216
4.7.4	Product Variation	4.217
4.7.5	Selling Costs	4.218
4.7.6	Equilibrium with Selling Costs	4.220
4.7.7	Monopolistic Competition Vs Imperfect Competition	4.221
4.8	Price and Output Determination under Oligopoly	4.223
4.9	Demand of Factors of Production	4.226
4.10	Marginal Productivity Theory of Distribution	4.232
4.11	The Adding up problem	4.245
4.12	Theories of Rent	4.251
4.12.1	Scarcity Rent	4.253
4.12.2	Differential Rent	4.255
4.12.3	Quasi Rent	4.257
4.13	Theories of Wages	4.258
4.14	Theories of Interest	4.264
4.14.1	Classical Theory of Interest	4.264
4.14.2	Neo-Classical Theory	4.267
4.14.3	Keynesian Theory	4.270

4.15	Theories of Profit	4.272
4.15.1	Dynamic Theory of Profit	4.273
4.15.2	Innovations Theory of Profit	4.275
4.15.3	Risk Theory of Profit	4.276
4.15.4	Uncertainty Theory of Profit	4.276
4.16	Summary	4.277
4.17	Keywords	4.278
4.18	Review Questions	4.280

UNIT– V Other Marginalized Groups

5.0	Introduction	5.281
5.1	Meaning of Equilibrium	5.281
5.2	Static and Dynamic Equilibrium	5.285
5.2.1	Static Equilibrium	5.285
5.2.2	Dynamic Equilibrium	5.286
5.3	Partial and General Equilibrium	5.288
5.3.1	Partial Equilibrium	5.288
5.3.2	General Equilibrium	5.290
5.4	Equilibrium of Exchange and Consumption	5.298
5.5	General Equilibrium and Relative Prices	5.302
5.6	Pigovian Welfare Economics	5.303
5.6.1	Nature of Welfare Economics	5.303
5.6.2	Pigovian Welfare Economics and Externalities	5.308
5.7	Pareto Optimality Theory	5.316
5.7	Kaldor Hicks Compensation Principle	5.321
5.8	Social Welfare Function	5.331
5.8.1	The Classical and Marshallian Welfare Economics	5.334
5.8.2	Welfare Maximization	5.338
5.9	The Theory of Second Best	5.343
5.11	Summary	5.346
5.12	Keywords	5.347
5.13	Review Questions	5.348

MACRO ECONOMICS

Editor

Prof. M. Anitha

Department of Economics, YV. University, Kadapa

Authors

Dr. T. SudarsanaReddy

Department of Economics, YV. University, Kadapa

Dr. N. Ganesh Naik

Department of Economics, YV. University, Kadapa

Dr. B. Subbarayudu

Govt. Degree College, Mydukur



DIRECTORATE OF DISTANCE EDUCATION

Yogi Vemana University

Vemanapuram, Y.S.R Kadapa, AP -516 005

Director
DIRECTORATE OF DISTANCE EDUCATION
Yogi Vemana University
Vemanapuram, Y.S.RKadapa, AP -516 005

Brief Contents

MACRO ECONOMICS

Unit - I Macro Economic Variables

Origin – Need for Macroeconomics - Macroeconomic Variables – Stocks and Flows – Macroeconomic Models – Micro foundations of Macroeconomics – Static, dynamic and Comparative Statics.

Unit- II National Economic Accounting

National Income Analysis - Generation and Distribution of Income and Related Aggregates - Gross National Product and Net National Product. Gross Domestic Product and Net Domestic - Product Problems in Estimation of National Income

Unit - III Classical and Keynesian Macro Economics

- a) Classical Macro - Economics. Say's law of Markets and Classical Theory of Employment – Critique of Classical Theory
- b) Keynesian Economics: Income determination - Aggregate Supply and Aggregate Demand. Consumption Function, Investment - Function, Marginal Efficiency of Capital - Theory of Interest - Multiplier and Accelerator – Interaction between Multiplier and Accelerator.

Unit- IV Supply of Money

Concepts of Money Supply – Components of Money Supply – RBI Approach of Money Supply – High Power Money - Money Multiplier – Changes in the Supply of Money.

Unit - V Trade Cycles

Monetary theory of Trade cycles - Monetary and real factors in the Trade Cycle - Different Theories of Trade Cycles – Samuelson, Hicks and Kaldor – Control of Business Cycles – Monetary and Fiscal Policies

Unit- VI Theories of consumption

Relative income hypothesis, permanent income hypothesis, Absolute income hypothesis and Life Cycles Hypothesis

Unit - VII Neo – Classical and Keynesian Synthesis I.S. and L.M Curves

General Equilibrium of Product and Money Markets. Extension of IS– LM Model with Government Sector, Monetary and Fiscal Policies

Unit - VIII Inflation

Concept of inflationary gap. Demand Pull and cost push inflation, stagflation, Objectives of monetary policy.

Unit - IX Banking Stock Market and Insurance

Detailed Contents

MACRO ECONOMICS

UNIT – I Macro Economic Variables

1.0	Introduction	1.1
1.1	Origin for Macro Economics	1.1
	1.1.1 Subject matter of Macro Economics	1.1
	1.1.2 Scope of Macro Economics	1.2
	1.1.3 Importance of Macro Economics	1.2
	1.1.4 Limitations of Macro Economics	1.3
1.2	Need for Macro Economics	1.4
1.3	Macro Economic Variables	1.5
1.4	Stocks and Flows	1.5
1.5	Macro Economic Models	1.6
1.6	Static, Dynamic and Comparative Statics	1.9
	1.6.1 Static Macroeconomics	1.9
	1.6.2 Dynamic Macroeconomics	1.12
	1.6.3 Comparative Statics of Macroeconomics	1.15
1.7	Summary	1.19
1.8	Keywords	1.19
1.9	Review Questions	1.20

UNIT– II National Economic Accounting

2.0	Introduction	2.21
2.1	National Economic Accounting	2.21
2.2	National Income Analysis	2.28
	2.2.1 Meaning of National Income	2.28
	2.2.2 Circular Flow of Income	2.30
	2.2.3 Concepts of National Income	2.33
	2.2.4 Methods of Estimation of National Income (NI)	2.35
	2.2.4.1 Factors Affecting National Income	2.36
	2.2.4.2 Uses of National Income	2.37
	2.2.4.3 Difficulties of measurement of National Income	2.37
	2.2.4.4 Uses of National Income Statistics	2.38

2.3	Generation and Distribution of Income and Related Aggregates	2.39
	2.3.1 Distribution of Income	2.39
	2.3.2 Related Aggregates in Income	2.44
2.4	Gross National Product	2.50
2.5	Net National Product	2.51
2.6	Gross Domestic Product	2.51
2.7	Net Domestic Products	2.63
2.8	Problems in Estimation of National Income	2.63
2.9	Summary	2.64
2.10	Keywords	2.64
2.11	Review Questions	2.66

UNIT– III Classical and Keynesian Macro Economics

3.0	Introduction	3.67
3.1	Classical Macro Economics	3.67
3.2	Say's law of Markets and Classical Theory of Employment	3.69
	3.2.1 Say's law of Markets	3.69
	3.2.1.1 Role of Money	3.72
	3.2.1.2 Say's Law as a Theoretical Point of Departure	3.73
	3.2.2 Classical Theory of Employment	3.74
3.3	Criticism of Classical Theory	3.77
3.4	Keynesian Economics	3.79
3.5	Income Determination	3.89
3.6	Aggregate Supply and Aggregate Demand	3.92
	3.6.1 Aggregate Supply	3.92
	3.6.2 Aggregate Demand	3.93
3.7	Consumption Function	3.98
	3.7.1 Consumer's Sovereignty	3.98
	3.7.2 Keynes' Fundamental Law of Consumption (Psychological Law of Consumption)	3.99
	3.7.3 Consumption Function or Propensity to Consume	3.101
	3.7.4 Average Propensity to Consume (APC)	3.101
	3.7.5 Marginal Propensity to Consume (MPC)	3.101
	3.7.6 Factors influencing Consumption Function or Propensity to Consume	3.102

3.7.7 Measures to Raise the Propensity to Consume	3.104
3.7.8 Importance of Keynes's Consumption Function	3.104
3.7.9 Savings Pattern in Low Developed Countries (LDCS)	3.105
3.8 Investment Function	3.107
3.8.1 Measures to Stimulate Private investment	3.108
3.8.2 Multiplier effect of Public investment	3.108
3.8.3 Factors affecting Investment or Determinants of Investment	3.109
3.8.4 Determination of the Rate of Interest	3.111
3.9 Marginal Efficiency of Capital	3.112
3.9.1 Factors influencing the Marginal Efficiency of Capital	3.113
3.9.2 Relation between Investment and Saving ($S = I$)	3.115
3.9.3 Investment Criteria for Economic Development	3.116
3.10 Theory of Interest – Multiplier and Accelerator	3.117
3.10.1 Keynesian Liquidity Preference Theory of Interest	3.117
3.10.2 Multiplier and Accelerator	3.119
3.10.2.1 Income or Investment Multiplier	3.119
3.11 Interaction between Multiplier and Accelerator	3.121
3.12 Summary	3.130
3.13 Keywords	3.131
3.14 Review Questions	3.132
 UNIT – IV Supply of Money	
4.0 Introduction	4.133
4.1 Money	4.133
4.1.1 Meaning	4.133
4.1.2 Functions of Money	4.135
4.1.3 Classification of Money	4.137
4.2 Concepts of Money Supply	4.139
4.3 Components of Money Supply	4.152
4.4 RBI Approach of Money Supply	4.152
4.4.1 RBI classification of Money	4.152
4.4.2 Fisher's Quantity theory of Money	4.153
4.4.3 Money supply, Inflation and Monerarism	4.155
4.4.4 Money and the Price Level	4.155

4.4.5 Debt-Deflation	4.156
4.4.6 Origins and Development of the Quantity Theory	4.156
4.4.7 Equation of Exchange	4.157
4.4.8 A Rudimentary Version of the Quantity Theory	4.158
4.5 Cambridge Approach to Money Demand	4.159
4.5.1 Keynes's Liquidity Preference Theory	4.160
4.5.2 Friedman's Modern Quantity Theory of Money	4.162
4.6 High Power Money	4.164
4.7 Money Multiplier	4.164
4.8 Changes in the Supply Money	4.171
4.9 Gresham's Law	4.175
4.9.1 'Good' Money and 'bad' Money	4.176
4.9.2 Theory	4.176
4.9.3 History of the concept	4.177
4.10 Summary	4.178
4.11 Keywords	4.178
4.12 Review Questions	4.180
UNIT – V Trade Cycles	
5.0 Introduction	5.181
5.1 Trade Cycles	5.181
5.1.1 Types of Cycles	5.182
5.1.2 Phases of a Business Cycle	5.182
5.1.3 Hawtre's Monetary Theory of the Trade Cycle	5.185
5.1.4 Schumpeter's Theory of Innovations	5.187
5.1.5 Keynes's Theory of the Trade Cycle	5.189
5.2 Monetary Theory of Trade Cycles	5.192
5.3 Different Theories of Trade Cycles	5.193
5.4 Samuelson Theory of Trade Cycle	5.204
5.5 Hicks Theory of Trade Cycle	5.208
5.6 Kaldor Theory of Trade Cycle	5.213
5.7 Control of Business Cycles	5.214
5.8 Monetary and Fiscal Policies	5.216
5.9 Summary	5.220

5.10	Keywords	5.220
5.11	Review Questions	5.222
UNIT– VI Theories of Consumption		
6.0	Introduction	6.223
6.1	Relative Income Hypothesis	6.224
6.2	Permanent Income Hypothesis	6.224
6.3	Absolute Income Hypothesis	6.228
6.4	Life Cycles Hypothesis	6.228
6.5	Summary	6.230
6.6	Keywords	6.230
6.7	Review Questions	6.231
UNIT– VII Neo-Classical and Keynesion Synthesis I.S. and L.M. Curves		
7.0	Introduction	7.232
7.1	Neo-Classical Synthesis	7.232
	7.1.1 New Neo-Classical Synthesis	7.233
7.2	Keynesion Synthesis	7.235
7.3	I.S. and L.M. Curves	7.236
	7.3.1 I.S. Curve	7.236
	7.3.2 L.M. Curve	7.238
7.4	General Equilibrium of Product and Money Markets	7.241
7.5	Extension of I.S. and L.M. Model with Government Sector	7.249
7.6	Monetary and Fiscal Policies	7.262
7.7	Expansionary Monetary Policy and its effect on Interest Rate and Income	7.271
7.8	Summary	7.277
7.9	Keywords	7.277
7.10	Review Questions	7.278
UNIT– VIII Inflation		
8.0	Introduction	8.279
8.1	Concept of Inflation	8.279
	8.1.1 Interest Rates and Inflation: The Fisher Equation	8.280
	8.1.2 Cost of Disinflation	8.283
8.2	Strategies/Methods to Reduce Inflation/Disinflation	8.284

8.2.1 Theories of Inflation	8.286
8.2.2 Types of Inflation	8.287
8.2.3 Causes of Inflation	8.288
8.2.4 Effects of Inflation	8.289
8.3 Costs of Inflation	8.291
8.4 Control of Inflation	8.295
8.5 Stagflation	8.296
8.6 Objectives of Monetary Policy	8.302
8.7 Summary	8.307
8.8 Keywords	8.307
8.9 Review Questions	8.309
UNIT– IX Banking Stock Market and Insurance	
9.0 Introduction	9.310
9.1 The role of commercial banks	9.310
9.1.1 Types of loans granted by commercial banks	9.311
9.1.2 Functions of the Commercial banks	9.312
9.1.3 Modern Functions of Commercial Banks	9.313
9.2 The process of Credit creation	9.314
9.3 Concept of NBFC's	9.316
9.4 Concept of SEBI	9.321
9.4.1 Objectives of SEBI	9.323
9.4.2 SEBI Guidelines to Secondary market stocks	9.323
9.4.3 Rolling Settlement System	9.324
9.5 Stock Market	9.325
9.5.1 Function and purpose	9.326
9.5.2 Relation of the stock market to the modern financial system	9.327
9.5.3 The behavior of the stock market	9.328
9.5.4 Irrational behavior	9.329
9.6 Primary Market	9.333
9.6.1 Secondary Market	9.334
9.6.2 Function	9.337
9.6.3 Types of Shares	9.336
9.6.4 Types of debentures	9.339
9.6.5 Difference Between Debentures And Stocks And Bonds	9.340

9.7	Insurance	9.341
	9.7.1 Types of insurance	9.346
9.8	(a) Life insurance	9.351
	9.8.1 Types of life insurance	9.354
9.9	Reserve bank of India	9.359
	9.9.1 Functions of RBI	9.360
9.10	Credit Control	9.363
9.11	Summary	9.365
9.12	Keywords	9.365
9.13	Review Questions	9.367

QUANTITATIVE METHODS

Editor

Prof. M. Anitha

Department of Economics, YV. University, Kadapa

Authors

Dr. T. SudarsanaReddy

Department of Economics, YV. University, Kadapa

Dr. N. Ganesh Naik

Department of Economics, YV. University, Kadapa

Dr. B. Subbarayudu

Govt. Degree College, Mydukur



DIRECTORATE OF DISTANCE EDUCATION

Yogi Vemana University

Vemanapuram, Y.S.R Kadapa, AP -516 005

Director
DIRECTORATE OF DISTANCE EDUCATION
Yogi Vemana University
Vemanapuram, Y.S.RKadapa, AP -516 005

Detailed Contents

QUANTITATIVE METHODS

UNIT – I Quantitative Methods

1.1 Definition of Quantitative Methods	1.3
1.1.1 Meaning of Quantitative Techniques	1.4
1.1.2 Nature of Quantitative Techniques	1.4
1.1.3 Scope of Quantitative Techniques	1.5
1.2 Classification of Quantitative Techniques	1.5
1.3 Quantitative Analysis as a Framework for Managerial Decisions	1.11
1.4 Advantages of Quantitative Methods	1.15
1.5 Limitations of Quantitative methods	1.20
1.6 Summary	1.21
1.7 Questions for Discussion	1.21
1.8 References	1.22

UNIT – II Concept of a Functions

2.1 Functions	2.25
2.1.1 Classification of Functions	2.27
2.2.2 Types of Functions	2.30
2.2 Concept of a Functions	2.32
2.2.1 Homogeneous	2.32
2.2.2 Logarithmic and Eponential functions	2.35
2.3 Exercise Problems	2.38

UNIT – III Graphical Representation of Functions

3.1 Graphical Representation of Function	3.41
3.2 Limit of a Function	3.42
3.2.1 Problems	3.47
3.3 Continuous of a Function	3.60

3.3.1 Intermediate Value Theorem	3.75
3.4 Exercise Problems	3.75
UNIT– IV Analytical Geometry	
4.1 Analytical Geometry	4.78
4.1.1 Concepts and Straight line	4.78
4.1.2 Curve and Parabola applications in Economics	4.92
4.2 Exercise Problems	4.103
UNIT– V Theory of Matrices	
5.1 Theory of Matrices	5.107
5.1.1 Determinants	5.109
5.1.2 Properties of Determinants and Cramer's rule	5.115
5.1.3 Types of Matrices	5.125
5.1.4 Inverse of matrix	5.129
5.1.5 Rank of matrix	5.132
5.2 Exercise Problems	5.141
UNIT– VI Fundamentals of Vibrations	
6.1 Concept of Derivative	6.144
6.1.1 Techniques of differentiation	6.162
6.1.2 Maximum and Minima	6.173
6.1.3 Applications in Economics	6.177
6.2 Exercise Problems	6.183
UNIT – VII Partial Differentiations	
7.1 Partial Differentiation	7.186
7.1.1 Total differentiation and differentials	7.186
7.1.2 Total differentials	7.194
7.1.3 Maximum and minimum of two Variables	7.196
7.1.4 Economic applications	7.198
7.2 Exercise Problems	7.215

UNIT – VIII Integration

8.1	Integration	8.218
8.1.1	Differential Equations	8.222
8.1.2	Applications in Economics	8.227
8.2	Exercise Problems	8.230

UNIT– IX Correlation and Regression Analysis

9.1	Correlation and Regression Analysis	9.232
9.1.1	Partial and Multiple correlation	9.233
9.1.2	Simple Regression	9.240
9.2	Exercise Problems	9.254

UNIT– X Descriptive Measures

10.1	Measures of Central Tendency	10.256
10.1.1	Measures of central tendency: Meaning	10.256
10.1.2	Measures of dispersion	10.257
10.1.3	Skewness	10.272
10.2	Kurtosis	10.279
10.3	Exercise Problems	10.288

UNIT – XI Methods of Enumeration

11.1	Methods Enumeration	11.291
11.1.1	Census Vs Sampling	11.294
11.1.2	Methods of sampling	11.294
11.2	Exercise Problems	11.329

UNIT– XII Index Numbers

12.1.1	Concept of Index Numbers	12.332
12.1.2	Features of Index Numbers	12.333
12.1.3	Kinds of Index Numbers	12.334

12.2 Construction of Different Index Numbers	12.335
12.2.1 Types of Base Period	12.336
12.2.2 Collection of Data	12.338
12.2.3 Construction of Index Numbers	12.339
12.2.3.1 Simple Aggregative Method	12.339
12.2.3.2 Weighted Aggregative Method	12.341
12.2.3.3 Simple Average Price Relative Method	12.343
12.2.3.4 Weighted Price Relative Method	12.345
12.3 Uses and Limitations of Index Numbers	12.346
12.3.1 Uses of Index numbers	12.346
12.3.2 Limitations of Index numbers	12.348
12.4 Exercise Problems	12.349

UNIT – XIII Probability and Theoretical Distribution

13.1 Probability and Theoretical Distribution	13.351
13.1.1 Importance of Probability	13.351
13.1.2 Basic probability rules and concepts expected values	13.356
13.1.3 Binomial distribution	13.356
13.1.4 Poisson distribution	13.365
13.1.5 Normal distribution	13.370
13.2 Exercise Problems	13.377

UNIT – XIV Test of Hypothesis

14.1 Test of Hypothesis	14.380
14.1.1 Simple and large sample tests	14.383
14.2 Estimation of Parameters	14.389
14.2.1 Estimation of Proportions	14.393
14.3 Exercise Problems	14.418

***EVOLUTION
OF
ECONOMICS DOCTRINE***

Editor

Prof. M. Anitha

Department of Economics, YV. University, Kadapa

Authors

Dr. T. SudarsanaReddy

Department of Economics, YV. University, Kadapa

Dr. N. Ganesh Naik

Department of Economics, YV. University, Kadapa

Dr. B. Subbarayudu

Govt. Degree College, Mydukur



DIRECTORATE OF DISTANCE EDUCATION

Yogi Vemana University

Vemanapuram, Y.S.R Kadapa, AP -516 005

Director
DIRECTORATE OF DISTANCE EDUCATION
Yogi Vemana University
Vemanapuram, Y.S.RKadapa, AP -516 005

Brief Contents

EVOLUTION OF ECONOMICS DOCTRINE

Unit - I The Early Period

Ancient Doctrines: The Old Testament; Greek Philosophers: Plato and Aristotle; Roman Empire and Christianity; Middle Ages: The Doctrine of the Church St. Thomas Aquinas Qualified Acceptance of Trade Just Cost and Just Price Doctrines Views on Interest; Modern Period: Mercantilism; Main Principles Thomas Mun; Adam Smith's Forerunners : (a) Petty, Locke Hume Cantillon, Stuart (b) Physiocracy: Natural Order Agriculture and Net Product Tableau.

Unit - II The Classical Period

The classical School Adam Smith: Division of Labour Theory of Value - Paradox, Substance and Measure Mercantilism - Laissez Faire Development views on Machinery comparative cost principle; Malthus: The Principle of Population: Controversy on say's Law of Markets; Romantics: Muller; socialists; Sismond; Marx: Theories of values, Surplus and Competition Accumulation and Crises Marx and a Classical writer and critique

Unit - III The Later Period

Founders of Modern Economics: Gossen, Jevons Menger Walras, Doctrines; Marshall: As a synthesizer method Value and Role of Time - Other Writers: Welsøer; Bohn Baserk, Paræto Wicksell, Clark, Fisher Basic Consumer's Surplus Distribution Marshallian concepts Elasticity, Substitution Prime and Supplementary Costs, Representative Firm, External / Internal Economics, Quasi- Rent, Real Cost and Expenses of production, Organization as a Factor of Production, Nature of Profits; Pigou, Keynes and Schumpeter

Unit - IV The Indian Doctrines

Ancient to Modern periods: Kautilya: Medieval Thought Nauroji, Ranade, R.C. Dutt; M.N. Roy (Democratic Decentralization), National Planning Committee (Population Development and Planning); Gandhi : Wants and Austerity; - Sarvodaya villages 'Swaraj'

Unit - V Australian School of Economics

Australian School of Economics Eugen Von Bohm Bawerk (1851 - 1914) Lausanne School.

Detailed Contents

EVOLUTION OF ECONOMICS DOCTRINE

UNIT – I Introduction

1.0	Introduction	1.1
1.1	Ancient Doctrines	1.2
1.1.1	The Old Testament	1.2
1.2	Greek Philosophers	1.7
1.2.1	Plato and Aristotle	1.7
1.3	Roman empire and Christianity	1.11
1.3.1	Roman empire	1.11
1.3.2	Christianity	1.17
1.4	Mercantilism, Ideas of Mercantilists	1.23
1.4.1	Mercantilism	1.23
1.4.2	Leading Ideas of Mercantilists	1.30
1.5	Main principles Thomas Mun	1.39
1.6	Petty, Locke Hume Cantillon, Stuart	1.41
1.6.1	William Petty	1.41
1.6.2	Locke Hume Cantillon	1.47
1.6.2.1	John Locke	1.47
1.6.2.2	David Hume	1.48
1.6.3	Cantillon	1.56
1.6.4	Stuart	1.59
1.7	Leading Ideas of Physiocrats	1.62
1.8	Pre classical Economists	1.70
1.9	Summary	1.76
1.10	Keywords	1.76
1.11	Review Question	1.78
UNIT – II Social Groups		
2.0	Introduction	2.79

2.1	The classical School Adam Smith	2.81
2.2	Division of Labour theory of value paradox	2.82
2.3	Laissez Faire	2.89
2.4	Development views on Machinery comparative cost principle	2.92
2.5	The principle of population	2.96
2.6	Controversy on Says Law of Markets	2.100
2.7	Romantics Muller	2.107
2.8	Sismondi	2.108
2.9	Karl Marx: Theories of Values, Surplus and Competition Accumulation, Crises, Classical writer and Critique	2.110
2.9.1	Karl Heinrich Marx's thought	2.110
2.9.2	Karl Marx Theories of Values	2.115
2.9.3	Surplus and Competition Accumulation	2.123
2.9.4	Crises Marx	2.131
2.9.5	Classical writer and Critique	2.133
2.10	Summary	2.135
2.11	Key Words	2.136
2.12	Review Questions	2.136
UNIT–III Social Structure and Social Systems		
3.0	Introduction	3.137
3.1	Gossen, Jevons, menger, Walras	3.138
3.1.1	Gossen	3.138
3.1.2	Jevons	3.140
3.1.3	Menger	3.143
3.1.4	Walras	3.146
3.2	Bohn Baserk	3.149
3.3	Paraeto and Wicksell	3.149
3.4	John Bates Clark	3.156
3.5	Fisher Basic	3.160
3.6	Consumers Surplus Distribution	3.162

3.7	Alfred Marshallian Concepts	3.164
3.8	Elasticity Substitution	3.166
3.9	External/Internal Economics	3.170
3.10	Quasi: Quasi-Rent, Real Cost	3.171
	3.10.1 Quasi- Rent	3.171
	3.10.2 Real Cost	3.174
3.11	Organization as a Factor of Production	3.174
3.12	Nature of profits	3.175
3.13	Pigou, Keynes and Schumpeter	3.176
	3.13.1 Pigou	3.176
	3.13.2 Keynes	3.181
	3.13.3 Schumpeter	3.189
3.15	Key Words	3.192
3.16	Review Question	3.193

UNIT– IV Social Interaction and Social Process

4.0	Introduction	4.193
4.1	Kautilya	4.195
4.2	Medieval thought Nauroji	4.200
4.3	Ranade	4.204
4.4	R.C. Dutt	4.205
4.5	M.N.Roy (Democratic Decentralization)	4.208
4.6	National Planning Committee (Population Development and Planning)	4.211
4.7	Gandhain Economic Thought, Vision, Sarvodaya, Sarvodaya Villages ‘Swaraj’	4.213
	4.7.1 Gandhain Economic Thought	4.215
	4.7.2 Gandhi Vision	4.220
	4.7.3 Sarvodaya	4.222
	4.7.4 Sarvodaya Villages ‘Swaraj’	4.223
4.8	Summary	4.226
4.9	Keywords	4.227
4.10	Review Questions	4.228

UNIT – V Social Stratification

5.0	Introduction	5.229
5.1	Australian school of Economics, Eugen Von Bohm –Bawerk (1851-1914)	5.230
	5.1.1 Australian school of Economics	5.230
	5.1.2 Eugen Von Bohm-Bawerk (1851 - 1914)	5.237
5.2	Lausanne School	5.244
5.3	Summary	5.252
5.4	Keywords	5.252
5.5	Review Questions	5.253

GOVERNMENT FINANCE

Editor

Prof. M. Anitha

Department of Economics, YV. University, Kadapa

Authors

Dr. T. SudarsanaReddy

Department of Economics, YV. University, Kadapa

Dr. N. Ganesh Naik

Department of Economics, YV. University, Kadapa

Dr. B. Subbarayudu

Govt. Degree College, Mydukur



DIRECTORATE OF DISTANCE EDUCATION

Yogi Vemana University

Vemanapuram, Y.S.R Kadapa, AP -516 005

Director
DIRECTORATE OF DISTANCE EDUCATION
Yogi Vemana University
Vemanapuram, Y.S.RKadapa, AP -516 005

Detailed Contents

GOVERNEMENT FINANCE

UNIT – I Introduction

1.0	Introduction	1.1
1.1	Public Finance Management	1.2
1.2	Nature and Scope of Public Finance	1.7
1.3	Relation of Public Finance with other Subjects	1.14
1.4	Political and Economic setting choice of Policies and their Implementation	1.15
1.5	Principle of Maximum Social Advantage	1.19
1.6	Summary	1.25
1.7	Keywords	1.25
1.8	Review Questions	1.26

UNIT – II Role of Government

2.0	Introduction	2.27
2.1	Role of Government	2.28
2.2	Government in Mixed Economy	2.37
2.2.1	Elements of a Mixed Economy	2.38
2.3	Public and Private Sector in India	2.41
2.3.1	Public Sector in India	2.41
2.3.2	Private Sector in India	2.44
2.3.3	Public Enterprise Policy	2.45
2.3.4	Privatization of Public Sector	2.47
2.3.5	Private Sector in India	2.48
2.4	Co-operation or Competition Planning for Economic Development	2.49
2.5	Budget as a means of Operationalising the Planning Process Government failures	2.64
2.5.1	Budget	2.64
2.5.2	Budget Planning Process	2.66
2.6	Investment Decisions in Government	2.68
2.7	Summary	2.71
2.8	Keywords	2.71
2.9	Review Questions	2.74

UNIT – III Public Revenue

3.0	Introduction	3.75
3.1	Sources and Classification of Public Revenue	3.75
	3.1.1 Meaning and Sources of Public Revenue	3.75
	3.1.2 Classification of Public Revenue	3.78
3.2	Impacts on the Economy	3.81
3.3	Principle Taxation	3.83
	3.3.1 Objectives of Taxation	3.85
	3.3.2 Canons of Taxation	3.87
3.4	Characteristics of a Good Tax System	3.89
3.5	Types of Taxation	3.90
3.6	Theories of Taxation	3.103
3.7	Effects of Taxation	3.111
3.8	Shifting and Incidence of Taxation	3.117
3.9	Distribution of the Burden Taxes on Income and commodities	3.125
3.10	Taxable Capacity	3.127
3.11	Summary	3.132
3.12	Keywords	3.132
3.13	Review Questions	3.134

UNIT – IV Wagner's Law of Increasing Static Activities

4.0	Introduction	4.135
4.1	Wagner's Law of Increasing Static Activities	4.136
	4.1.1 Wagner's Law	4.137
4.2	Peacock and Wisemen Hypothesis	4.138
4.3	Rostows Theory and Stages of Growth	4.140
	4.3.1 Rostows Theory	4.140
	4.3.2 The Rostow's Stages of Growth	4.141
4.4	Reasons of Public Expenditure	4.147
4.5	Determinants and Classification of Public Expenditure	4.150
	4.5.1 Determinants of Public Expenditure	4.150
	4.5.2 Classification of Public Expenditure	4.151
4.6	Effects of Public Expenditure	4.157
4.7	Trends in Growth of Public Expenditure in India	4.172
4.8	Canons of Public Expenditure	4.175
4.9	Theories of Growth of Public Expenditure	4.193

4.10 Summary	4.199
4.11 Keywords	4.199
4.12 Review Questions	4.200

UNIT – V Public Debt

5.0 Introduction	5.201
5.1 Public Debt	5.201
5.2 Burden and its Sources of Public Debt	5.207
5.2.1 Burden of Public Debt	5.207
5.2.2 Sources of Public Debt	5.209
5.3 Causes and Principles of Debt Management	5.212
5.3.1 Causes of Debt Management	5.212
5.3.2 Principles of Debt Management	5.214
5.4 Methods of Public Debt Redemption	5.215
5.5 Growth of Public Debt in India	5.216
5.6 Summary	5.218
5.7 Keywords	5.219
5.8 Review Questions	5.220

UNIT – VI Budget

6.0 Introduction	6.221
6.1 Budget	6.221
6.1.1 Formation of Budget	6.222
6.2 Budgetary Policy Growth of Public Debt in India	6.227
6.3 Objectives and Instruments of Public Debt	6.230
6.3.1 Objectives of Public Debt	6.230
6.3.2 Instruments of Public Debt	6.234
6.4 Budget Policy Objectives and importance	6.238
6.4.1 Budget Policy Objectives	6.238
6.4.2 Importance of the Budget	6.238
6.4.3 Functions of the Budget	6.240
6.4.4 Budget Cycle in India	6.245
6.5 Theory of Optimum Budget	6.246
6.6 Budgetary Trends in India	6.252
6.7 The Budgetary Process in India	6.253
6.8 Summary	6.258
6.9 Keywords	6.258
6.10 Review Questions	6.260

UNIT – VII Fiscal Policy

7.0	Introduction	7.261
7.1	Fiscal Policy	7.261
7.2	Objectives and Instruments Fiscal Policy	7.263
7.3	Instruments of Fiscal Policy	7.265
7.4	An Evaluation of Fiscal Policy in India	7.266
7.5	Summary	7.290
7.6	Keywords	7.290
7.7	Review Questions	7.291

UNIT – VIII Federal Finance

8.0	Introduction	8.292
8.1	Federal Finance	8.292
8.2	Principles of Federal Finance	8.294
8.3	Problems of Federal Finance	8.296
8.4	Union state Financial Relations	8.300
8.5	Union Finance Revenues and Expenditures	8.304
8.6	State Finance Revenues and Expenditures	8.314
8.7	Finance Commission and their Performance	8.317
8.8	Summary	8.329
8.9	Keywords	8.329
8.10	Review Questions	8.329

UNIT – IX Local Finance

9.0	Introduction	9.330
9.1	Local Finance	9.331
9.2	Sources of Revenue	9.331
9.3	Transfer of Resources	9.336
9.4	Problems and Prospects	9.340
9.5	Taxation	9.343
9.6	Summary	9.346
9.7	Keywords	9.346
9.8	Review Questions	9.347

THEORY OF ECONOMIC DEVELOPMENT AND PLANING

Editor

Prof. M. Anitha

Department of Economics, YV. University, Kadapa

Authors

Dr. T. Sudarsana Reddy

Department of Economics, YV. University, Kadapa

Dr. N. Ganesh Naik

Department of Economics, YV. University, Kadapa

Dr. B. Subbarayudu

Govt. Degree College, Mydukur



DIRECTORATE OF DISTANCE EDUCATION

Yogi Vemana University

Vemanapuram, Y.S.R Kadapa, AP -516 005

Director
DIRECTORATE OF DISTANCE EDUCATION
Yogi Vemana University
Vemanapuram, Y.S.RKadapa, AP -516 005

Brief Contents

Theory of Economic Development and Planning

- 1. Economic growth and development:** Meaning and measurement; characteristics of under development; rate and pattern. Modern Economic Growth, sources of growth, distribution and growth; Problems of growth of developing economies
- 2. Models of Growth- classical :** Harrods Dammar; One sector Neo classical: Cambridge (Joan Robinson, caldron): Stage theories of Economic growth (Marx **and** Rostow).
- 3. Development Models :** Higgins, Lewis, Leibenstein and Nelson.
4. Strategies of Development: Balance Vs Unbalanced, Theory of Big-push, spread and back wash effects.
- 5. Choice of Techniques:** Intersectoral allocation; Investment criteria and choice of techniques.
- 6. Need for Planning:** Nature of planning in capitalist, socialist and Mixed economies
- 7. Nature of Planning in socialist and Democratic Countries -** Role of Public sector. Aspects of planning and price mechanism.
8. Perspective Planning in India Plan Models Philosophy.

Detailed Contents

Unit - 1 Economic Growth and Development

1.0	Introduction	1.1
1.1	Economic Development and Economic Growth	1.2
1.2	Measurement of Economic Development	1.3
	1.2.1 Basic Needs Vs Economic Growth	1.11
	1.2.2 Human Development Indices	1.13
	1.2.3 Human Development Index (HDI)	1.17
	1.2.4 Constructing the Human Development Index (HDI)	1.21
	1.2.5 Development Economics in Retrospect	1.22
1.3	Characteristics of an Underdeveloped	1.29
	1.3.1 Different Criteria of Underdevelopment	1.30
	1.3.2 Characteristics of an Underdeveloped Country	1.34
1.4	Chenery's Patterns of Structural Change	1.44
1.5	Meaning and Characteristic of Modern Economic Growth	1.49
	1.5.1 Characteristics of Modern Economic Growth	1.49
1.6	Factors of Economic Growth: Economic And Non-Economic	1.59
1.7	Summary	1.75
1.8	Keywords	1.76
1.9	Review Questions	1.78

UNIT- II Models of Growth Classical

2.0	Introduction	2.1
2.1	The Harrod- Domar Models	2.1
	2.1.1 The Domar Model	2.3
	2.1.2 The Harrod Model	2.4
	2.1.3 A Comparative Study of The Two Models	2.9
	2.1.4 Application of Harrod-Domar Models To Underdeveloped Countries	2.12
2.2	The Kaldor Model Of Distribution	2.17
	2.2.1 A Critical Appraisal	2.21
2.3	Neo Classical Model Of Economic Growth	2.22
	2.3.1 The Model	2.23
	2.3.2 The State of Steady Growth	2.27
	2.3.3 A Critical Appraisal	2.29

2.4	Cambridge (Joan Robinson)	2.31
2.4.1	Joan Robinson's Model of Capital Accumulation	2.31
2.4.2	A Critical Appraisal	2.36
2.4.3	The Cambridge Capital Controversy in the Neo-Classical Analysis of Growth	2.38
2.4.4	Joan Robinson's Critique	2.43
2.4.5	Samuelson's Critique and the Surrogate Production Function	2.45
2.4.6	More about the Cambridge Critique	2.54
2.5	Stage Theories of Economic Growth (Marx And Rostow)	2.55
2.5.1	The Marxian Theory	2.55
2.5.2	A Critical Appraisal	2.62
2.5.3	The Marxian Theory and Underdeveloped Countries	2.63
2.5.4	Marx's Stages Of Growth	2.65
2.5.5	Marx Vs Rostow	2.68
2.5.6	Rostow's Stages Of Economic Growth	2.69
2.5.7	The Drive to Maturity	2.76
2.5.8	The Age of High Mass-Consumption	2.77
2.5.9	Criticism of The Stages Of Economic Growth	2.77
2.5.10	The Take-Off Dates Are Doubtful	2.78
2.5.11	The Take-Off And India	2.82
2.6	Summary	2.84
2.7	Keywords	2.84
2.8	Review Questions	2.88

UNIT – III Development Models

3.0	Introduction	3.1
3.1	Economic Development	3.2
3.1.1	Measurement of Economic Development	3.2
3.2	Development Models	3.9
3.3	Lewis	3.10
3.3.1	Features of Lewis Theory	3.11
3.3.2	The Process of Economic Expansion	3.16
3.3.3	Relation between Capital, Technical Progress and Productivity	3.16
3.3.4	Role of State and Private Capitalists	3.17
3.3.5	Role of Savings	3.17
3.3.6	Role of Bank Credit	3.18

3.3.7	End of Growth Process	3.19
3.3.8	Critical Appraisal	3.19
3.4	Leibenstein	3.21
3.4.1	Stimulants and Shocks	3.22
3.4.2	Explanation of the Theory	3.24
3.4.3	Size of Minimum effort	3.26
3.4.4	Attitudes, Motivation and Incentives	3.26
3.4.5	Role of Growth Agents	3.28
3.4.6	Determinants of the need for a Minimum effort	3.32
3.4.7	Critical Evaluation	3.33
3.4.8	Quasi- State System in Underdeveloped Countries	3.37
3.4.9	Critical Appraisal	3.41
3.5	Nelson	3.41
3.5.1	Conditions for Trapping	3.42
3.5.2	Nelson uses a model with three equations	3.42
3.6	Summary	3.46
3.7	Keywords	3.47
3.8	Review Questions	3.48

UNIT– IV Strategies of Development

4.0	Introduction	4.1
4.1	The theory of balance Growth	4.1
4.1.1	Explanation of the Theory	4.4
4.1.2	Balance among Different Sectors	4.8
4.1.3	Factors for the success of Balanced Growth	4.11
4.1.4	Benefits of Balanced Growth	4.13
4.1.5	Criticism of Balanced Growth	4.14
4.2	The Theory of Unbalanced Growth	4.18
4.2.1	Unbalancing the Economy with SOC	4.20
4.2.2	Unbalancing the Economy with DPA	4.21
4.2.3	The Path to Development	4.21
4.2.4	Linkage Effects	4.24
4.3	Balanced versus Unbalanced Growth	4.31
4.4	The “ Big Push” theory:	4.34
4.4.1	A Critical Appraisal	4.37
4.4.2	Myrdal’ s Theory of Backwash Effects	4.39

4.4.2.1 The Myrdal Thesis	4.40
4.4.2.2 Backwash Effects of Migration, Capital Movement and Trade	4.41
4.4.2.3 Spread Effects	4.42
4.5 Back Wash Vs Spread Effects	4.43
4.5.1 Role of State	4.43
4.5.2. International Inequalities	4.44
4.6 Summary	4.45
4.7 Keywords	4.45
4.8 Review Questions	4.49

UNIT – V Choice of Techniques

5.0 Introduction	5.1
5.1 Inter sectoral allocation	5.1
5.2 Investment criteria in economic development	5.22
5.2.1 The Time Series Criterion	5.31
5.3 The Choice of Technique	5.34
5.3.1 Types of Techniques	5.35
5.3.2 Approaches to the Problem of Choice of Techniques	5.43
5.3.3 Choice of Techniques in Underdeveloped Countries	5.50
5.4 An appropriate technique for underdeveloped countries	5.51
5.4.1 Factors influencing the Choice of Technique	5.53
5.4.2 Intermediate Technique	5.54
5.4.2.1 Nature of Intermediate Technique	5.55
5.4.2.2 Need of Intermediate Technique	5.55
5.4.2.3 Importance of Intermediate Technique	5.56
5.4.2.4 Difficulties in the Choice of Technology	5.57
5.5 Suggestions	5.58
5.6 Summary	5.59
5.7 Keywords	5.60
5.8 Review Questions	5.65

UNIT – VI Need for Planning

6.0 Introduction	6.1
6.1 Need for Planning	6.2
6.1.1 Objectives of Economic Planning	6.3
6.1.2 Case against Economic Planning	6.6

6.1.3	Characteristics of Economic Planning	6.8
6.1.4	Necessary Conditions for the Success of Planning	6.9
6.1.5	The future of development planning	6.12
6.1.6	Achievement Targets	6.13
6.2	Need for Planning in Underdeveloped Countries	6.16
6.2.1	Plan Formulation and Requisites for Successful Planning	6.18
6.2.2	Planning by Direction and Planning by inducement	6.23
6.2.3	Financial and Physical Planning	6.27
6.3	Perspective planning and annual planning	6.31
6.3.1	Demerits of Perspective Planning	6.32
6.4	Indicative Planning and imperative Planning	6.33
6.4.1	Democratic Planning and Totalitarian Planning	6.36
6.4.2	Rolling and Fixed Plans	6.38
6.5	Planning under Capitalism and Socialism	6.44
6.5.1	Planning Under Socialism	6.44
6.5.2	Centralized and Decentralized Planning	6.46
6.5.3	Corrective Planning and Development Planning	6.47
6.6	Planning in a Mixed Economy	6.49
6.7	Planning Models	6.51
6.8	Summary	6.52
6.9	Keywords	6.53
6.10	Review Questions	6.55

UNIT – VII Nature of Planning in Socialist

7.0	Introduction	7.1
7.1	Nature of Planning in Socialist	7.1
7.2	Social Democratic Mixed Economies	7.6
7.2.1	The Elements of a Mixed Economy have been Demonstrated to include a Variety of Freedoms	7.9
7.2.1.1	The Law of value	7.11
7.2.1.2	Third Way	7.18
7.3	Public Sector in Economic Development	7.20
7.3.1	Case for Public Sector in India	7.20
7.3.2	Role of Public Sector in the India Economy	7.22
7.3.3	Is Public Sector Really Inefficient?	7.26
7.3.4	Short Comings of Public Sector Enterprises	7.28

7.3.5	Public Sector in India	7.30
7.3.6	Global Trend	7.33
7.3.7	Developments in Recent Years A Critical	7.34
7.3.8	New Opportunities	7.36
7.3.9	Labour Reforms	7.37
7.3.10	HR Perspective	7.38
7.4	Pay Revision CPSES	7.40
7.4.1	Pay Revision of Employees Under CDA Pattern in CPSES	7.40
7.4.2	Pay Revision Committees	7.41
7.5	Economic Planning and Price Mechanism	7.42
7.5.1	Price Mechanism in a Planned Economy	7.43
7.5.2	Price Mechanism in an Underdeveloped Economy	7.46
7.6	Summary	7.50
7.7	Keywords	7.51
7.8	Review Questions	7.53

UNIT – VIII Perspective Planning in India

8.0	Introduction	8.1
8.1	Development of Planning in India	8.1
8.1.1	Advisory Planning Board (1946)	8.5
8.1.2	Administrative Organisation	8.8
8.1.3	Planning Commission of India	8.10
8.1.3.1	Functions of the, Planning Commission	8.10
8.1.4	National Development Council-NDC	8.11
8.1.5	Internal Organisation	8.12
8.2	Process of Planning In India	8.15
8.2.1	Process in India	8.18
8.2.2	Pitfalls of Planning Commission	8.19
8.3	The Strategy of Planning	8.20
8.4	Plan Models in India	8.40
8.4.1	Plan Models	8.41
8.4.2	Plan Models Used in Indian Plans	8.41
8.5	Summary	8.64
8.6	Keywords	8.64
8.7	Review Questions	8.67

INDIAN ECONOMY

Editor

Prof. M. Anitha

Department of Economics, YV. University, Kadapa

Authors

Dr. T. Sudarsana Reddy

Department of Economics, YV. University, Kadapa

Dr. N. Ganesh Naik

Department of Economics, YV. University, Kadapa

Dr. B. Subbarayudu

Govt. Degree College, Mydukur



DIRECTORATE OF DISTANCE EDUCATION

Yogi Vemana University

Vemanapuram, Y.S.R Kadapa, AP -516 005

Director
DIRECTORATE OF DISTANCE EDUCATION
Yogi Vemana University
Vemanapuram, Y.S.RKadapa, AP -516 005

Brief Contents

INDIAN ECONOMY

Unit-I

Nature of the Indian Economy

Structure of Indian Economy - Nature of the Indian Economy.

Unit-II

Growth of National Income

Growth of National income: Trends in National Income and related Aggregates.

Unit-III

Trends in Population Growth Since 1951

Trends in Population Growth since 1951 - Population and Poverty Population policy in India - Eradication of Poverty.

Unit-IV

Agriculture Growth Since Independence

Agriculture Growth since Independence - Agricultural Finance Land reforms - Agricultural Labour - Problems of unemployment

Unit-V

Development of Industry in India

Development of industry in India - public Vs private sector - problems of large medium and small scale industries in India - Modernization - unemployment

Unit-VI

Planning in India Objectives

Planning in India objectives: Starting and planning Growth - Resources Mobilization in India - planning of allocation of resources - Industry and Agricultural - private sector and public sector

Unit-VII

Planning and Fiscal Policy Types

Planning and Fiscal policy types of input and impact on the economy. The impact of the size and content of budgets. Objectives and instruments of budgetary and fiscal policy in India.

Unit-VIII

India's Balance of Payments and International Trade

India's balance of payments and International Trade - Terms of Trade - Role of International financial Institutions in India's economic development.

Unit-IX

India's balance of payments and International Trade

India's balance of payments and International Trade - Terms of Trade - Role of International financial Institutions in India's economic development

Unit-X

Andhra Pradesh State Economy

GSDP Sectoral Contribution and trends; Human Resources Population Trends, Regional differentials Demographic Dividend; Agricultural Sector - Land use and Cropping pattern; Industrial sector Small scale Industries, Investment and employment in industrial sector, SEZs; Service sector Growth of income and employment in the service sector, Information Technology (IT).

Detailed Contents

INDIAN ECONOMY

UNIT– I Nature of the Indian Economy

1.0	Introduction	1.1
1.1	History of Indian economy	1.2
1.2	Structure of Indian Economy	1.12
	1.2.1 Natural resources in INDIA	1.16
	1.2.2 India's Post-independence economic policies relating to natural resources	1.17
	1.2.3 Energy Policy of India	1.21
1.3	Nature of Indian Economy	1.24
1.4	India's Economy in 2010	1.38
1.5	Indian Economy in the year 2011	1.38
1.6	Summary	1.39
1.7	Keywords	1.40
1.8	Review Questions	1.41

UNIT – II Growth of National Income

2.0	Introduction	2.43
2.1	Meaning of Economic growth and development	2.44
	2.1.1 Factors Determining Economic Development	2.44
	2.1.2 Economic development and economic growth	2.44
	2.1.3 Major factors in the Development of an Economy	2.46
	2.1.4 Vicious Circle of poverty	2.50
	2.1.5 Indian Economy: A Developing Economy	2.51
	2.1.6 Essential Factors in Economic Development	2.53
	2.1.7 Economic Growth and Development	2.57
2.2	Measuring economic growth and development	2.59
	2.2.1 Measuring Economic Growth	2.59
	2.2.2 Per capita income	2.59
	2.2.3 Measuring Economic Development	2.62
	2.2.4 Human Development Index	2.65
	2.2.5 The Development Gap	2.65

2.3	Balanced and unbalanced growth	2.67
2.3.1	Meaning of Balanced Growth	2.67
2.3.1.1	The Strategy of Balanced Growth	2.68
2.3.1.2	Criticism of the Theory of Balanced Growth	2.69
2.3.2	Meaning of Unbalanced Growth	2.70
2.4	Choice of Techniques Labor intensive and capital intensive	2.76
2.4.1	Choice of Technology	2.76
2.5	Summary	2.78
2.6	Keywords	2.78
2.7	Review Questions	2.80

UNIT– III Trends in Population Growth Since 1951

3.0	Introduction	3.81
3.1	Definition of National Income	3.82
3.2	Measurement of National Income	3.82
3.2.1	National Income and Welfare	3.84
3.2.2	Difficulties in Measurement of National Income	3.85
3.3	Growth of National Income	3.87
3.3.1	GDP Growth Definition	3.88
3.3.2	India GDP Growth Rate	3.89
3.3.3	India's Economy Grows 7.7% in Q ₂	3.89
3.4	Suggestions for Improving the National Income Estimates	3.90
3.5	Main Features of the National Income Estimates of India	3.90
3.6	Summary	3.91
3.7	Keywords	3.91
3.8	Review Questions	3.92

UNIT– IV Agriculture Growth Since Independence

4.0	Introduction	4.93
4.1	Terms of Population	4.93
4.2	Trends of population growth since 1951	4.94
4.2.1	Basic Demographic Features	4.95
4.2.2	Causes for Population Explosion	4.96
4.2.3	Causes of High Birth Rates in India	4.98

4.2.4 Demographic Features of India	4.99
4.2.5 Life Expectancy	4.100
4.2.6 Literacy Rate	4.100
4.2.7 Urbanization	4.101
4.2.8 Occupational Structure	4.101
4.2.9 Population Growth and Economic Development	4.102
4.2.10 Population Growth and the Declining Land-Man Ratio	4.103
4.2.11 Population Trends 2001	4.105
4.3 Poverty	4.107
4.3.1 Definitions	4.107
4.3.1.1 Measuring Poverty	4.107
4.3.2 Characteristics	4.110
4.3.3 Poverty Reduction	4.112
4.3.3.1 Poverty in India	4.114
4.3.3.2 Poverty Estimates	4.114
4.3.3.3 Impact of Poverty	4.116
4.3.4 Causes of Poverty in India	4.116
4.3.4.1 Economic Reforms and Causes of Poverty in India	4.118
4.3.5 Reduction in Poverty	4.121
4.4 Population policy of India	4.124
4.4.1 The “New” Population Policy	4.126
4.5 10 Measures for Eradicating Poverty from Rural Society of India	4.131
4.6 Eradicating Poverty in India by 2040	4.133
4.7 Summary	4.134
4.8 Keywords	4.135
4.9 Review Questions	4.136

UNIT– V Development of Industry in India

5.0 Introduction	5.137
5.1 Agricultural Policy	5.139
5.1.1 Changing Agrarian Economy Since Independence	5.140
5.1.2 Sources of Growth In Indian Agriculture	5.150
5.2 Agriculture Finance	5.152
5.2.1 Rural Credit	5.152

5.2.2	Agricultural Finance	5.160
5.2.3	Agricultural Price Policy In India	5.164
5.2.4	Agricultural Insurance	5.168
5.3	Agricultural Labor	5.172
5.3.1	The Need And Scope For Land Reforms In A Developing Economy	5.173
5.3.2	The Abolition of Intermediaries	5.173
5.3.3	Tenancy Reforms	5.176
5.3.4	Ceiling on Land Holdings	5.181
5.4	Agricultural Labor	5.184
5.4.1	Present Position of Agricultural Labor In India	5.184
5.4.2	Agricultural Labour And Minimum Wages	5.190
5.4.3	Abolition of Bonded Labour	5.192
5.4.4	Recommendations of National Commission on Rural Labour (NCRL)	5.195
5.5	Agricultural Infrastructure	5.196
5.6	Food Security In India	5.199
5.7	Summary	5.201
5.8	Keywords	5.200
5.9	Review Questions	5.200

UNIT– VI Planning in India Objectives

6.0	Introduction	6.201
6.1	Industrial Growth	6.202
6.1.1	Structural Characteristics of Indian Industries	6.202
6.1.2	Structure by Size of Capital	6.206
6.1.3	Structure by Size of Employment	6.207
6.1.4	Changes in Industrial Structure in 1990's	6.209
6.1.5	Some Problems of Industrial Development In India	6.210
6.2	Industrial Policies of 1956 And 1991	6.212
6.2.1	Main Features of the 1980 Industrial Policy	6.215
6.2.2	Main Features of the Industrial Policy (1977) of India Government	6.218
6.2.3	Objectives of the New Industrial Policy 1991	6.219
6.3	Public Vs Private Sector	6.224
6.3.1	Division of the Economy Between Public Sector And Private Sector	6.224
6.3.2	Relative Role of Public Sector and Private Sector in the Indian Economy	6.226

6.3.3	Relative Role of Public Sector in India	6.227
6.3.4	Relative Role of Private Sector in India	6.228
6.3.5	Comparison of the Performance of Public and Private Sector In India	6.228
6.3.6	Role of Public Sector in the Indian Economy	6.230
6.3.7	Performance of Public Sector Undertakings in India And Its Evaluation	6.232
6.3.8	Major Problems of the Public Sector Enterprises India	6.234
6.3.9	The Issue of Privatization	6.235
6.3.10	Privatization Move of the Public Sector Enterprises	6.238
6.3.11	Major Changes in the Policy Directions of The Government Towards Public Sector Enterprises In India	6.239
6.3.12	Measures to be Followed for the Revival of PSES	6.242
6.3.13	Private Sector in India	6.243
6.3.13.1	Growth of Private Sector in India	6.245
6.3.13.2	Role of the Private Sector In India	6.245
6.3.13.3	Limitations of the Private Sector In India	6.247
6.3.13.4	Problems of the Private Sector In India	6.248
6.4	Problems of Large Scale Industries In India	6.250
6.5	Growth and Problems of Small Scale Industry	6.288
6.5.1	Problems of Small Scale and Cottage Industries	6.293
6.6	Modernization	6.302
6.7	Unemployment	6.310
6.8	Foreign Exchange Management Act, 1999	6.312
6.9	Disinvestment Policy In India	6.316
6.10	Foreign Direct Investment (FDI)	6.318
6.11	Growing Importance of Services Sector In India	6.328
6.11.1	Banking	6.329
6.11.2	Insurance	6.336
6.11.3	Information Technology	6.340
6.11.4	Education	6.356
6.11.5	Health	6.362
6.12	Summary	6.367
6.13	Keywords	6.367
6.14	Review Questions	6.370

UNIT– VII Planning and Fiscal Policy Types

7.0	Introduction	7.371
7.1	Planning in India Objectives	7.371
	7.1.1 Five year plans in India	7.376
7.2	Resources and Mobilization in India	7.455
7.3	Resource allocation investment pattern in india	7.468
7.4	Summary	7.477
7.5	Keywords	7.477
7.6	Review Questions	7.478

UNIT– VIII India's Balance of Payments and International Trade

8.0	Introduction	8.479
8.1	Planning	8.479
8.2	Fiscal Policy	8.480
8.3	Types of Fiscal Policy	8.480
8.4	Economic Effects of Fiscal Policy	8.482
8.5	Fiscal Policy Vs Monetary Policy	8.484
8.6	Objectives and Instruments of Fiscal Policy	8.485
	8.6.1 Objectives of Fiscal Policy	8.485
	8.6.2 Role of Fiscal Policy	8.488
	8.6.3 Instruments of Fiscal Policy	8.489
	8.6.4 Compensatory Fiscal Policy	8.492
8.7	Fiscal Policy In India	8.496
8.8	Budget	8.502
	8.8.1 Budget 2011-2012	8.504
	8.8.2 Impact of Budget 2011-2012	8.513
8.9	Summary	8.516
8.10	Keywords	8.516
8.11	Review Questions	8.518

UNIT– IX India's balance of payments and International Trade

9.0	Introduction	9.519
9.1	India's Balance of Payments on Current Account	9.520

9.1.1	Balance of Payments Crisis	9.524
9.1.2	Balance of payments and The New Economic Reforms Of 1991	9.525
9.1.3	Invisibles And Balance of Payments	9.529
9.2	India's Trade Policy	9.530
9.3	International Trade	9.535
9.4	Terms of Trade	9.545
9.4.1	Concepts of Terms of Trade	9.545
9.4.2	Net Barter Terms of Trade or Commodity Terms of Trade	9.546
9.4.3	Gross Barter Terms of Trade	9.549
9.4.4	Income Terms of Trade	9.551
9.4.5	Single Factoral Terms of Trade	9.553
9.4.6	Double Factoral Terms of Trade	9.555
9.4.7	Real Cost Terms of Trade	9.556
9.4.8	Utility Terms of Trade	9.558
9.4.9	Factors Affecting Terms of Trade	9.559
9.4.10	Secular Deterioration In Terms of Trade Prebisch-Singer Thesis	9.567
9.4.11	Impact of Deterioration of Terms of Trade on Developing Countries	9.572
9.5	International Financial Institutions	9.573
9.5.1	International Bank for Reconstruction And Development (IBRD) or World Bank	9.573
9.5.2	International Development Association (IDA)	9.580
9.5.3	IDA And India	9.584
9.5.4	International Finance Corporation (IFC)	9.585
9.5.5	Asian Development Bank (ADB)	9.589
9.5.6	Critical Appraisal of the Working of the World Bank	9.592
9.6	Summary	9.596
9.7	Keywords	9.596
9.8	Review Questions	9.596

UNIT– X Andhra Pradesh State Economy

10.0	Introduction	10.597
10.1	GDP	10.598
10.2	Human Resources	10.599

10.2.1 Population Trends	10.599
10.3 Agriculture Sector	10.603
10.3.1 Land Use	10.604
10.4 Industrial Sector	10.605
10.4.1 Small scale Industries	10.605
10.4.2 Special Economic Zone (SEZ)	10.609
10.5 Service Sector	10.611
10.5.1 Information technology (IT) Industry	10.613
10.6 Summary	10.617
10.7 Keywords	10.618
10.8 Review Questions	10.620

Computer Applications

Editor

Prof. G. Vijaya Bharathi

Department of Commerce, Y.V. University, Kadapa

Authors

Dr. S. Raghunatha Reddy

Department of Commerce, Y.V. University, Kadapa

Dr. G. Harnath

Department of Commerce, Y.V. University, Kadapa

Mr. C. Srinivasulu

Sri Vivekananda, Govt. Degree College, Vempalli, YSR Dt.



DIRECTORATE OF DISTANCE EDUCATION

Yogi Vemana University

Vemanapuram, Y.S.R Kadapa, AP -516 005

Director
DIRECTORATE OF DISTANCE EDUCATION
Yogi Vemana University
Vemanapuram, Y.S.RKadapa, AP -516 005

DIRECTORATE OF DISTANCE EDUCATION

I - Year / I - Semester as per CBCS

Computer Applications

Outcomes

At the end of the course, the students is expected to DEMONSTRATE the following cognitive abilities (thinking skill) and psychomotor skills.

- A. Remembers and states in a systematic way (Knowledge)
 - 1. Describe the fundamental hardware components that make up a computer's hardware and the role of each of these components.
 - 2. Understand the difference between an operating system and an application program, and what each is used for in a computer.
 - 3. Use technology ethically, safely, securely, and legally.
 - 4. Use systems development, word-processing, spreadsheet, and presentation software to solve basic information systems problems.
- B. Explains (Understanding)
 - 5. Apply standard statistical inference procedures to draw conclusions from data.
 - 6. Retrieve information and create reports from databases.
 - 7. Interpret, produce, and present work-related documents and information effectively and accurately.
- C. Critically examines, using data and figures (Analysis and Evaluation**).
 - 8. Analyse compression techniques and file formats to determine effective ways of securing, managing, and transferring data.
 - 9. Identify and analyse user needs and to take them into account in the selection, creation, integration, evaluation, and administration of computing based systems.
 - 10. Analyse a complex computing problem and to apply principles of computing and other relevant disciplines to identify solutions.
 - 11. Identify and analyse computer hardware, software

- D. Working in ‘Outside Syllabus Area’ under a Co-curricular Activity (Creativity) Design, implement, and evaluate a computing-based solution to meet a given set of computing requirements in the context of the program’s discipline.
- E. Efficiently learn and use Microsoft Office applications.

Unit-1: Introduction

Computer Definition - Characteristics and Limitations of Computer Hardware - Generations of Computer, Classification of Computers, Applications of Computer, Basic Components of PC, Computer Architecture - Primary and Secondary Memories - Input and Output Devices - Operating System - Function of Operating System - Types of Operating System - Languages and its Types

Unit-2: MS Word

Word Processing - Features - Advantages and Applications - Parts of Word Window - Toolbar - Creating, Saving, Closing, Opening and Editing of a Document - Moving and Copying a Text - Formatting of Text and Paragraph - Bullets and Numbering - Find and Replace - Insertion of objects - Headers and Footers - Page Formatting - Auto Correct - Spelling and Grammar - Mail Merge - Macros.

Unit-3: MS Excel

Features - Spread Sheet - Workbook - Cell - Parts of a window - Saving, Closing, Opening of a Work Book - Editing - Advantages - Formulas - Types of Function - Templates - Macros - Sorting - Charts - Filtering - Consolidation - Grouping - Pivot Table.

Unit-4: MS Power Point

Introduction - Starting - Parts - Creating of Tables - Create Presentation - Templates - Auto Content Wizard - Slide Show - Editing of Presentation - Inserting Objects and charts.

Unit-5: MS Access

Orientation to Microsoft Access - Create a Simple Access Database - Working with Table Data - Modify Table Data - Sort and Filter Records - Querying a Database - Create Basic Queries - Sort and Filter Data in a Query - Perform Calculations in a Query - Create Basic Access Forms - Work with Data on Access Forms - Create a Report - Add Controls to a Report - Format Reports.

Content
Computer Applications

Unit-1: Introduction

1.0	Objectives	1
1.1	Introduction	1
1.2	Definition of Computer	2
1.3	History of Computers	3
1.4	Characteristics, Limitations of Computers	5
1.5	Generations of Computers	7
1.6	Classification of Computers	10
1.7	Application Areas of Computers	12
1.8	Elements of Computers	13
1.8.1	Organization of a Computer System	14
1.9	Computer Architecture	15
1.10	Primary and Secondary Memory	19
1.10.1	Main Memory / Primary Memory Unit	19
1.10.2	Secondary Storage Devices and Media	23
1.11	Input and Output Devices	25
1.12	Operating Systems	33
1.12.1	Functions of Operating System	34
1.12.2	Functions of Operating System	34
1.12.3	Responsibilities	35
1.12.4	Types of Operating System	35
1.13	Computer Language	38
1.13.1	Classification of Computer Languages	38
1.13.2	Features of a Programming Language	39
1.13.3	Programmer Languages Categorized	40
1.14	Outcomes	45
1.15	Review Questions	45
1.16	Multiple Choice Questions	46

Unit-2: Ms-Word

2.0	Objectives	49
2.1	Introduction	49
2.2	Word Processing	50
2.2.1	Advantages of Using Word Processing	50
2.2.2	Features of Word Processing Software	51
2.2.3	Applications	51
2.3	Starting Word	52
2.3.1	Parts of Word Window	52
2.3.2	Microsoft Word Controls	53
2.4	Creating, Saving, Closing of a Document	55
2.4.1	Create a New Document	55
2.4.2	Save a Document 	56
2.4.3	Closing a Document	57
2.4.4	Opening an Existing File 	58
2.4.5	Exiting Word	59
2.5	Editing of a Document	59
2.5.1	Inserting Text	59
2.5.2	Selecting Text	60
2.5.3	Editing Text	61
2.5.4	Deleting Text	61
2.5.5	Undo and Redo Buttons	62
2.6	Moving and Copying a Text - Using Cutting  , Copying  , and Pasting 	62
2.6.1	Moving Text	62
2.6.2	Copy, Cut and Paste the Text	63
2.7	Formatting of Text	64
2.7.1	Setting Font Type and Size	65
2.7.2	Setting Font Style	66
2.7.3	Alignment of Text	66
2.7.4	Change Text Case	67
2.7.5	Changing Font Colours	67

2.7.6	Highlighting Text	68
2.7.7	Applying Text Effects	69
2.7.8	Character Formatting	70
2.8	Formatting Paragraphs	71
2.8.1	Creating Paragraphs	71
2.8.2	Paragraph Indenting	71
2.8.2.1	To Indent using the Ruler	71
2.8.2.2	To use the Indent Commands	72
2.8.2.3	Indenting with Keyboard Shortcuts	73
2.8.2.4	To Indent using the Tab Key	74
2.8.2.5	To Create or Adjust a First-line Indent or Hanging Indent	74
2.8.2.6	Tabs	74
2.8.3	Line and Paragraph Spacing	76
2.9	Bullets and Numbering	79
2.9.1	Adding Bullets or Numbers	79
2.9.2	Bullet Options	80
2.9.3	Multilevel Lists	81
2.9.4	To Change the Level of a Line	82
2.10	Find and Replace	82
2.10.1	To Find Text	82
2.10.2	To Replace Text	83
2.11	Insertion of Objects	84
2.11.1	Importing Graphics	84
2.11.2	Inserting Word Art	85
2.11.3	Inserting Pictures	85
2.11.4	To insert a Clip Art	86
2.11.5	Inserting Shapes	87
2.11.6	Inserting Text Box	88
2.12	Headers and Footers	90
2.12.1	To Insert Header and Footer	90
2.12.2	Deleting Header and Footer	93

2.12.3	Creating Different Headers and Footers for Odd and Even Pages	93
2.12.4	Creating Different Headers and Footers for the First Page	93
2.12.5	Insert Page Number to a New Header or Footer	94
2.12.6	To Add Page Numbers to an Existing Header or Footer	95
2.12.7	To Hide the Page Number on the First Page	95
2.12.8	To Format Page Numbers	96
2.13	Page Formatting	97
2.13.1	Margins	97
2.13.2	Page Orientation	99
2.13.3	To Change Page Size	99
2.13.4	Insert and Delete Page Breaks	100
2.13.5	Insert and Delete Blank Pages	101
2.13.6	Add Cover Pages	101
2.13.7	The Page Setup Dialog box	102
2.14	Auto Correct	103
2.15	Spelling and Grammer	105
2.16	Mail Merge	106
2.17	Macro	110
2.18	Outcomes	113
2.19	Review Question	113
2.20	Multiple Choice Questions	114
Unit-3: MS Excel		
3.0	Objectives	117
3.1	Introduction	117
3.2	MS Excel	118
3.2.1	Features of MS-Excel	118
3.2.1.1	Some Advanced Features of Excel 2010	119
3.2.2	Advantages of MS-Excel	120
3.3	Spreadsheet	121
3.4	Starting MS Excel	122
3.4.1	Parts of MS-Excel Window	123

3.5	Creating, Saving, Closing of an Excel Workbook	125
3.5.1	To Create a New Workbook	125
3.5.2	Creating a New Worksheet	126
3.5.3	To Open an Existing Workbook	126
3.5.4	Saving a Workbook	127
3.5.5	To Close a Workbook	128
3.5.6	Printing a Spread Sheet	129
3.6	EnteringData	130
3.6.1	Cell References or Addressing the Cells	130
3.6.2	EnteringData	130
3.6.3	Select Text, Cells, Ranges, Rows, and Columns	132
3.6.4	Autofill	132
3.7	Editing Data	133
3.7.1	Edit Cell Entry in the Formula Bar	133
3.7.2	Undo/Redo Command 	134
3.7.3	Movingand Copying Cell Contents	134
3.7.4	Inserting Cells, Rows or Columns	135
3.7.5	Deleting Cells, Rows or Columns	136
3.7.6	Modifying with Columns, Rows, and Cells	136
3.7.7	WrappingText and Merging Cells	140
3.8	Using Find/Replace Feature	142
3.9	Formulas	145
3.9.1	EnteringFormula in the Formula Bar	147
3.9.2	Entering Formula in the Cell	148
3.9.3	Using Cell References in Formulas	148
3.9.4	Editing a Formula	149
3.9.5	Movingor Copying Formulas	150
3.9.6	Operators that are Used in Excel Formula's	150
3.10	Functions	152
3.10.1	To Create a BasicFunction in Excel	153
3.10.2	Using AutoSum to Select Common Functions	154

3.10.3	Using the Insert Function Command	155
3.10.4	Editing a Function	158
3.10.5	Different Types of Functions	158
3.11	Templates	165
3.11.1	Existing Templates	165
3.11.2	Create a Template	167
3.12	Macro	169
3.12.1	Recording a Macro	169
3.12.2	Running a Macro	171
3.12.3	Storing a Macro	172
3.12.4	Delete/Remove All Macros	173
3.13	Sorting	174
3.13.1	To Sort in Alphabetical Order	174
3.13.2	To Sort in Numerical Order	175
3.13.3	To Sort by Date or Time	176
3.13.4	To Sort in the Order of your Choosing	177
3.13.5	Sorting Multiple Levels	179
3.14	Charts	181
3.14.1	Creating Charts with Insert Chart	182
3.14.2	Moving or Resizing a Chart	185
3.14.3	Chart Tools	185
3.14.3.1	Changing Data Source	185
3.14.3.2	Inserting Title in a Chart	186
3.14.3.3	Editing Title in a Chart	187
3.14.3.4	Inserting Floating Text to a Chart	187
3.14.3.5	Modifying the Axes	188
3.14.3.6	Inserting Data Labels	188
3.14.3.7	Inserting Legends	189
3.14.3.8	Inserting Gridlines to Chart	190
3.14.4	Different Types of Charts	190
3.15	Filtering	192
3.15.1	Filtering Text	192

3.15.2	Filtering Numbers	194
3.16	Consolidation	196
3.17	Grouping Worksheets	199
3.18	Pivot Tables	201
3.18.1	Create a Pivot Table	201
3.18.2	To add Fields to the Pivot Table	204
3.18.3	To Change Row Labels	205
3.18.4	To Add Column Labels	206
3.19	Outcomes	206
3.20	Review Questions	206
3.21	Multiple Choice Questions	207
Unit-4: MS PowerPoint		
4.0	Objectives	209
4.1	Introduction	209
4.2	Ms Power Point	209
4.2.1	Applications of Power Point	210
4.2.2	Features of Power Point	211
4.3	Starting Power Point	211
4.3.1	Components of Presentation Window	212
4.3.2	PowerPoint Views	213
4.4	Tables	215
4.4.1	Creating a Table	215
4.4.2	Editing a Table	216
4.4.2.1	Adding Columns and Rows	216
4.4.2.2	Deleting Columns and Rows	217
4.4.2.3	Changing Column Width / Row Height	218
4.4.2.4	Changing a Table Style	218
4.5	Creation of Presentation	219
4.5.1	Creating a Presentation Using a Template	219
4.5.2	Creating a Blank Presentation	220
4.5.3	Opening a Presentation	220

4.5.4	To Open a Recently Accessed File	221
4.5.5	Saving the Presentation	222
4.5.6	Creating a New Template Based on an Existing Presentation	222
4.5.7	Print and Previewing a Presentation	224
4.5.8	Closing and Quitting PowerPoint	225
4.6	Entering and Editing the Text	226
4.7	Slides in a Presentation	227
4.7.1	Inserting a New Slide	227
4.7.2	Creating a Duplicate Slide	228
4.7.3	Copying and Pasting Slides	228
4.7.4	Recycling Slides from other Presentations	228
4.7.5	Deleting Slides	229
4.8	Transitions and Animations	229
4.8.1	Apply a Transition	229
4.8.2	To Preview a Transition	230
4.8.3	Modifying Transitions	231
4.8.4	Animation	232
4.8.5	To apply an Animation to an Object	233
4.8.6	To add multiple animations to an object	234
4.8.7	To Copy Animations with the Animation Painter	235
4.8.8	To Reorder the Animations	236
4.8.9	To Preview Animations	237
4.8.10	The Animation Pane	237
4.8.10.1	To Open the Animation Pane	237
4.8.10.2	To Reorder Effects from the An	238
4.8.10.3	To Preview Effects from the Animation Pane	238
4.8.10.4	To Change an Effect's Start Option	238
4.8.11	The Effect Options Dialog Box	239
4.8.11.1	To Open the Effect Options Dialog Box	239
4.8.11.2	To Change the Effect Timing	239
4.9	Slide Show	240
4.9.1	Running a Slide Show	240

4.9.2	Setting the Timing and Speed of Transition	241
4.9.3	Automating a Slide Show	241
4.9.3.1	Rehearse Timings	241
4.9.3.2	Record Narration	242
4.10	Editing of Presentation	243
4.10.1	Editing Text Presentation	243
4.10.2	Applying Different Effects to Text	244
4.10.3	Working with Colour and Line Style	244
4.10.4	Adding Movie and Sound	245
4.10.5	Adding Headers and Footers	246
4.11	Inserting Objects and Charts	247
4.11.1	Insert Text From Microsoft Word	247
4.11.2	Insert an Image from a File	248
4.11.3	Insert Clip Art	250
4.11.4	Insert Charts	252
4.12	Outcomes	254
4.13	Review Questions	254
4.14	Multiple Choice Questions	255
UNIT-5: MS Access		
5.0	Objectives	257
5.1	Introduction	257
5.2	Database	258
5.3	MS Access	259
5.3.1	Features of MS Access	259
5.3.2	Parts of Access	261
5.4	Starting MS Access	262
5.4.1	Working with Access Environment	263
5.5	Create a Simple Access Database	264
5.5.1	Creating a Blank Database	264
5.5.2	Create a Database using a Template	265
5.5.3	Changing Database Display Options	266
5.6	Viewing Database Objects	267

5.6.1	View Database Objects in the Navigation Pane	267
5.6.2	View a List of Database Objects	268
5.6.3	Working with Database Objects	269
5.7	Opening and Closing Databases	270
5.7.1	Opening an Existing Database	270
5.7.2	To Close a Database	271
5.8	Table	272
5.8.1	Create a New Table	273
5.8.1.1	Create a Table in Blank Database	273
5.8.1.2	Create a New Table in an Existing Database	273
5.8.1.3	Create a Table Based on Template	274
5.8.1.4	Creating a Table Using Sharepoint	275
5.8.1.5	Create a Table using Design View	276
5.8.2	Importing Data into Tables Import a Table from a Database	277
5.8.3	Save a Table	278
5.8.4	Copy a Table	279
5.8.5	Rename a Table	280
5.8.6	Add Data in the Table	280
5.8.7	Edit Data in the Table	281
5.8.8	Delete a Record in a Table	281
5.8.9	Find and Replace Records	282
5.9	Sorting and Filtering Records	284
5.9.1	Sorting Records	284
5.9.2	Filtering Records	285
5.10	Join or Create Relationship Between Tables	288
5.11	Handling Queries	293
5.11.1	Create Basic Queries	293
5.11.1.1	Create a Simple Query using the Query Wizard	293
5.11.1.2	Create Crosstab Query using the Query Wizard	295
5.11.1.3	Create query to finding Duplicate items	297

5.11.1.4	Create an unmatched Query	299
5.11.1.5	Creating Query Using the Design View	300
5.11.2	To Modify your Query	301
5.11.3	Sort and Filter Data in a Query	301
5.11.4	Perform Calculations in a Query	303
5.12	Forms	304
5.12.1	Create Basic Access Forms	304
5.12.1.1	Create a Form using the Form Tool	304
5.12.1.2	Create a Form using Form Wizard	305
5.12.1.3	Create a Form using Blank Form Tool	306
5.12.1.4	Create a Split Form using the Split form Tool	307
5.12.2	To Open an Existing Form	308
5.12.3	Entering and Modifying Data	308
5.12.3	Adding Controls in a Form	309
5.12.4	Changing the View of a Form	310
5.13	Reports	311
5.13.1	Create a Simple Report	311
5.13.2	Create a Report Using Report Design	313
5.13.3	Create a Report by using the Report Tool	317
5.13.4	Create a Report by Using the Report Wizard	317
5.13.5	Create a Report by using the Blank Report Tool	318
5.13.6	Understand Controls	318
5.13.7	Format Reports	320
5.13.7.1	Understand Layout View	320
5.13.7.2	Understand Design View	321
5.14	Outcomes	325
5.15	Review Questions	325
5.16	Multiple Choice Questions	326

INTERNATIONAL ECONOMICS

Editor

Prof. M. Anitha

Department of Economics, YV. University, Kadapa

Authors

Dr. T. Sudarsana Reddy

Department of Economics, YV. University, Kadapa

Dr. N. Ganesh Naik

Department of Economics, YV. University, Kadapa

Dr. B. Subbarayudu

Govt. Degree College, Mydukur



DIRECTORATE OF DISTANCE EDUCATION

Yogi Vemana University

Vemanapuram, Y.S.R Kadapa, AP -516 005

Director
DIRECTORATE OF DISTANCE EDUCATION
Yogi Vemana University
Vemanapuram, Y.S.RKadapa, AP -516 005

Brief Contents

INTERNATIONAL ECONOMICS

Unit I

The Theoretical basis of trade

Classical Theory :Adam Smith- Ricardo- mill : Neoclassical Theory, Haberler's opportunity cost; Trade indifference curves Offer curves, Modern Theory: Heckscher Ohlin Theorem- factor prices and factor reversals

Unit II

Economic growth and trade

Gains from trade Johnson's model immenserizing growth; Transport cost Monopoly and dumping Terms of trade increase in factor endowments, Technical progress and trade Capital movements and growth.

Unit III

Trade policy

Tariffs, Quotas, Theory of customs Union, case for protection regional integration EEC: Trade problems of developing countries GATT UNCATD: Import substitution and export promotion New International Economic order, Foreign Aid.

Unit IV

Balance of Payments

Foreign Trade and National income, Foreign trade, multiplier, Market for foreign exchange, Purchasing power parity- theory, Fixed and flexible exchange rates; Balance of payments- Disequilibrium in the balance of payments and adjustment mechanism; Devaluation- elasticity approach - Income absorption approach- Monetary approach Exchange control; Means of achieving external and internal equilibrium.

Unit V

International Monetary System

Problems of International Monetary system International liquidity IMF SDR Euro Dollar Market; Plans for reform and future of the International monetary system.

Detailed Contents

INTERNATIONAL ECONOMICS

UNIT – I The Theoretical basis of trade

1.0	Introduction	1.1
1.1	Theory of international trade classical theory of comparative Cost advantage	1.2
1.2	Ricardo Mill	1.16
1.3	Neo classical theory	1.19
1.4	Haberler's Opportunity cost approach [Haberler's opportunity cost Trade indifference curves offer curves]	1.23
1.5	Utility of Opportunity Cost Theory	1.33
1.6	Modern theory: Heckscher Ohlin theorem [Factor prices and factor reversals]	1.54
1.7	Summary	1.84
1.8	Keywords	1.84
1.9	Review Questions	1.85

UNIT – II Economic growth and trade

2.0	Introduction	2.87
2.1	Gains from international trade	2.88
2.1.1	Division of Gains between Countries	2.91
2.1.2	Criteria of Measuring Gains from International Trade	2.94
2.1.3	Types of Gains from Trade	2.95
2.1.4	The effects of Static Gains of International Trade on World Welfare and Welfare of individual Countries	2.96
2.1.5	Measurement of Gain from any Country	2.100
2.1.6	Measurement of the Gain from Trade in the Case of Large and Small Countries	2.102
2.2	Johnson's model immenserizing growth	2.103
2.3	Dumping	2.114
2.3.1	Kinds of Dumping	2.115
2.3.2	Necessary Conditions for Successful Dumping	2.115
2.3.3	The Theory of Dumping Price	2.116
2.3.4	Effect of Dumping on Prices in Dumping Country	2.117

2.3.5 Anti-Dumping Measures	2.118
2.4 Terms of Trade	2.119
2.5 Factor endowment theory	2.138
2.6 Technical Progress and International Trade	2.161
2.6.1 Effect of Neutral Technical Progress	2.162
2.7 Foreign capital and economic development	2.166
2.7.1 Benefits of Foreign Capital	2.166
2.7.2 Disadvantages of Foreign Capital	2.168
2.7.3 Role of Foreign collaboration in Economic Development of under developed countries for planned growth	2.169
2.8 International capital movements	2.172
2.8.1 Factors Governing International Capital Movements	2.173
2.8.2 Role of International Capital Movements	2.174
2.9 Summary	2.176
2.10 Keywords	2.176
2.11 Review questions	2.177
UNIT – III Trade policy	
3.0 Introduction	3.179
3.1 Tariff	3.180
3.1.1 Main Arguments for Tariff	3.183
3.1.2 Effects of Tariff	3.188
3.1.3 The Concept of Optimum	3.197
3.1.4 An Evaluation of the Optimum Tariff	3.200
3.1.5 Tariff and Community Welfare	3.201
3.2 Quota and cartel	3.201
3.2.1 Types of Quota	3.202
3.2.2 Objects (purposes) of Quota System	3.205
3.2.3 Effects of Quota	3.206
3.2.4 Consider the Relative Merits of Quotas and Tariffs as Methods of Protecting Domestic Industries	3.209
3.2.5 Import Quotas Vs Tariffs	3.209
3.2.6 Cartel	3.212
3.2.6.1 Nature of Cartel	3.212

3.2.6.2 Industries Favorable to Formation of Cartels	3.213
3.2.6.3 Advantages of Cartels	3.213
3.3 Economic Integration Theory of Customs Union Case for Projection Regional Interaction EEC Trade Problems of Developing Countries	3.215
3.3.1 Forms of Integration	3.215
3.3.2 Theory of Economic Integration: Regional Blocs	3.216
3.3.3 Theory of Customs Union	3.220
3.3.4 Other Integration Schemes of Developed Countries	3.238
3.3.5 Economic Integration of Developing Countries	3.239
3.4 GATT	3.243
3.4.1 Modes of Operation	3.244
3.4.2 Administration and Membership	3.244
3.4.3 Working of the GATT	3.245
3.4.4 GATT and the Developing Countries	3.247
3.4.5 On Trade and Development	3.249
3.4.6 Trade and Development Program	3.250
3.4.7 International Trade Centre	3.252
3.4.8 The Kennedy Round	3.254
3.5 United Nations Conference on Trade and Development	3.258
3.6 Import Substitution vs Export-led Growth	3.273
3.7 New International Economic Order	3.280
3.8 Foreign Aid and International Debt	3.283
3.9 Summary	3.291
3.10 Keywords	3.291
3.11 Review Questions	3.293
 UNIT – IV Balance of Payments	
4.0 Introduction	4.296
4.1 Foreign Trade and National Income	4.298
4.1.1 Deficiencies in Foreign Trade Multiplier	4.309
4.2 Foreign Trade Multiplier	4.310
4.2.1 Simple Investment Multiplier	4.310
4.2.2 Marginal Propensity to Save	4.311
4.2.3 Concept of Foreign Trade Multiplier with Suitable Examples	4.314

4.2.3.1 Types of Trade Multiplier	4.316
4.3 The rate of exchange Market for foreign exchange Purchasing power parity theory, Fixed and flexible exchange rates	4.319
4.4 The Balance of Payments: [Disequilibrium in the balance of payments and adjustment mechanism Devaluation elasticity approach Income absorption approach Monetary approach]	4.349
4.4.1 Balance of Payments Adjustment Mechanism	4.380
4.4.2 Balance of Payments Adjustment through Variations in Exchange Rates	4.380
4.4.3 Devaluation and Balance of Payments Adjustment	4.384
4.4.4 Domestic Price Changes and Balance of Payment Adjustment	4.397
4.4.5 Changes in Income and Balance of Payments Adjustment	4.397
4.4.6 Balance of Payments Adjustment through Capital Movements	4.398
4.4.7 Balance of Payments Adjustment through Expenditure Policies	4.399
4.4.8 The Monetary Approach to Balance of Payments Adjustment	4.401
4.4.9 Balance of Payments Adjustment through Controls	4.404
4.4.10 Devaluation	4.405
4.4.11 The Net Effect of Increase in Income	4.410
4.5 Exchange control	4.411
4.5.1 Objects or Purposes of Exchange Control	4.412
4.5.2 Methods of Exchange Control	4.415
4.6 Means of Achieving External and Internal Equilibrium	4.423
4.7 Summary	4.425
4.8 Keywords	4.426
4.9 Review Questions	4.429

UNIT– V International Monetary System

5.0 Introduction	5.432
5.1 Problems of International Monetary system	5.433
5.2 International Monetary fund(IMF) SDR	5.437
5.2.1 Problems before IMF	5.437
5.2.2 Purposes of IMF	5.438
5.2.3 Mechanism of IMF	5.438
5.2.4 The Group of Twenty (G- 20)	5.439
5.2.5 Use of Fund Resources	5.441

5.2.6	Exchange Rate Policy	5.442
5.2.7	The Role of IMF in Solving the Problems of International Liquidity	5.444
5.2.8	Special Drawing Rights (SDR's)	5.446
5.3	International Liquidity	5.451
5.3.1	Contents of International Liquidity	5.451
5.3.2	Trends in International Liquidity	5.452
5.3.2.1	Components of International Liquidity	5.453
5.3.2.2	IMF and International Liquidity	5.453
5.3.2.3	Is the Importance of Special Drawing Rights likely to Grow in Future?	5.455
5.4	Eurodollar Market	5.456
5.4.1	Important Features of the Market	5.456
5.4.2	Factors that Contributed to the Growth	5.458
5.4.3	The Participants	5.459
5.5	Plans for reform and future of the International monetary system	5.460
5.5.1	Breakdown of the Bretton Woods System: Emergence of Managed Floating	5.463
5.5.2	EMS and ECU	5.465
5.5.3	Perspectives of EMU	5.466
5.6	Summary	5.467
5.7	Keywords	5.468
5.8	Review Questions	5.470

INDUSTRIAL ECONOMICS

Editor

Prof. M. Anitha

Department of Economics, Y.V. University, Kadapa

Authors

Dr. T. Sudarsana Reddy

Department of Economics, Y.V. University, Kadapa

Dr. N. Ganesh Naik

Department of Economics, Y.V. University, Kadapa

Dr. B. Subbarayudu

Govt. Degree College, Mydukur



DIRECTORATE OF DISTANCE EDUCATION

Yogi Vemana University

Vemanapuram, Y.S.R Kadapa, AP -516 005

Director
DIRECTORATE OF DISTANCE EDUCATION
Yogi Vemana University
Vemanapuram, Y.S.RKadapa, AP -516 005

Brief Contents

INDUSTRIAL ECONOMICS

1. Factors determining the size of Firm and Industry.
2. Theories of location: Factors influencing location of Industries, Control and regulation of location of Indian industries, Balanced regional Development of Industries
3. Control of Industry, Industrial combinations Control and regulating monopoly in Indian industries, Indian Industrial policy, Government control over private sector.
4. Industrial Finance problems in raising short term and long term capital, Role of Government in Industrial finance, Recent developments in Indian industrial Finance.
5. Industrial Policy, Indian industrial policy since independence, Proprieties licences industrialization and five year plans Industrialisation and five year plans, Industrialisation and import substitution.
6. Need for public enterprises in under developed economies, Public enterprises in India, Evaluation performance.

Detailed Contents

INDUSTRIAL ECONOMICS

UNIT– I Factors Determining the size of Firm and Industry

1.0	Introduction	1.1
1.1	Factors determining the Size of Firm and Industry	1.2
1.2	Factors Affecting Organizational Design	1.16
1.3	The Organization form and Alternative Motives of the Firm	1.19
	1.3.1 Types of Organizational Form	1.19
	1.3.2 The Choice of the Organizational Form	1.29
	1.3.3 Business Motives	1.30
1.4	The conceptual frame work for the study of Industrial Economics	1.38
1.5	Industrial Classification	1.40
1.6	Importance of Industrial Relations	1.42
1.7	Scope of industrial Economics	1.43
1.8	Industrial Efficiency	1.48
	1.8.1 The Economic Efficiency	1.51
	1.8.2 The Efficiency Measurement Levels	1.51
	1.8.3 Some Efficiency Conditions in the Theory of Production	1.56
	1.8.4 Efficiency and Decision-Making process	1.61
1.9	Summary	1.62
1.10	Keywords	1.63
1.11	Review Question	1.64

UNIT– II Theories of Location

2.0	Introduction	2.65
2.1	Industrial theories of Location	2.66
2.2	Factors Influencing location of Industries	2.68
2.3	Control and Regulation of location of Indian Industries	2.69
	2.3.1 Regulation of Indian Industries	2.69

2.3.2 Location of Indian Industries	2.70
2.3.3 Industries Development and Regulation Act 1951	2.82
2.3.5 Balanced regional development of Industries	2.84
2.4 Summary	2.89
2.5 Keywords	2.90
2.6 Review Questions	2.91

UNIT– III Control of Industry

3.0 Introduction	3.92
3.1 Control of Industry	3.93
3.2 Industrial Combinations control and Regulating Monopoly in Indian industries	3.94
3.2.1 Industrial Combinations control	3.94
3.2.2 Regulating Monopoly in Indian industries	3.106
3.3 Indian Industrial Policy	3.112
3.4 Partnering for Development: Government-Private Sector Cooperation in Service Provision	3.114
3.4.1 Government control over Private Sector	3.126
3.5 Summary	3.128
3.6 Keywords	3.128
3.7 Review Questions	3.129

UNIT– IV Industrial Finance Problems

4.0 Introduction	4.130
4.1 Industrial Finance	4.130
4.2 Industrial Finance problems in raising short term and long term capital	4.138
4.2.1 Types of Industrial Financial Needs	4.138
4.2.2 Industrial Finance problems in raising short term and long term capital	4.140
4.2.3 Sources of the Industrial Finance	4.143
4.3 Role of government in industrial finance	4.145
4.4 Recent development in India industrial finance	4.150
4.5 Summary	4.152
4.6 Keywords	4.152
4.7 Review Questions	4.153

UNIT – V Industrial Policy

5.0	Introduction	5.154
5.1	Industrial Policy	5.155
5.2	Indian Industrial policy Since Independence	5.157
5.3	Proprieties licencesi Industrialization and five year plans	
	Industrialization and five Year plans	5.173
	5.3.1 Proprieties licencesi Industrialization	5.173
	5.3.2 Five year plans Industrialization	5.173
	5.3.3 Five year plans	5.233
5.4	Industrialization and Import substitution	5.243
	5.4.1 Import substitution industrialization (ISI)	5.243
	5.4.2 Substitution effect	5.244
	5.4.3 Advantages and disadvantages of Import Substitution	5.244
5.5	Summary	5.245
5.6	Keywords	5.245
5.7	Review questions	5.246

UNIT – VI Need for Public Enterprises

6.0	Introduction	6.247
6.1	Need for public enterprises in under developed economies	6.248
6.2	Public enterprises In India	6.257
6.3	Public enterprises Evaluation and Performance	6.261
	6.3.1 Evolution of Public Sector Undertakings	6.261
	6.3.2 Classification of Public Sector Undertakings	6.262
	6.3.3 Maharatna/Navratna/Miniratna Status for Public Sector Undertakings	6.262
	6.3.4 Empowerment of Public Sector Undertakings	6.263
	6.3.5 Corporate Governance of Public Sector Undertakings	6.264
	6.3.6 Governance of Public Sector Undertakings	6.264
	6.3.7 Performance of Industrial Economics	6.265
6.4	Summary	6.270
6.5	Keywords	6.270
6.6	Review Questions	6.271