

**MASTER OF BUSINESS ADMINISTRATION  
(AVIATION BUSINESS MANAGEMENT)  
(MBAAVBM)**

**Term-End Examination**

**December, 2012**

**MAV-005 : AIRPORT FINANCIAL MANAGEMENT**

*Time : 3 hours*

*Maximum Marks : 100*

*Note : Answer any five questions. All questions carry equal marks.*

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1. (a) What are the requirements that an entity should follow on first time adoption of IFRS ? Explain. 10
  - (b) Differentiate between Dry lease and Wet lease. 10
  2. (a) Briefly explain the advantages that an airline receives on registering itself with IATA. 10
  - (b) Write a note on the need and means to hedge fuel cost. 10
  3. Explain in detail the revenue sources an airport should consider while setting up an airport. Also in your opinion what should be the proportion of revenue from Aeronautical and Non-Aero sources ? 20

4. (a) What are the factors to be taken into account in establishing the cost basis for charges on air traffic ? 10
- (b) Write a note on single tell, dual tell, hybrid tell. 10
5. (a) What are the procedures adopted by the Accounting Standard Board in formulating Accounting Standards ? 10
- (b) Briefly explain IAS 21 on the effects of changes in Foreign Exchange rates. 10
6. Draw a flow chart for Import Assessment. Explain the import customs duties and their calculation. 20
7. (a) The economic downturn has had an impact on the Airline Industry as a whole. Explain. 10
- (b) What are the various solvency ratios? Briefly explain them. 10
8. (a) Discuss the limitations of Ratio Analysis. 10
- (b) What are the various sources of internal finance available to an airline ? 10
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