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**ADVANCED DIPLOMA IN AIR CARGO
MANAGEMENT (ADACM)**

Term-End Examination

December, 2011

**MAV-032 : ECONOMICS AND FINANCIAL
MANAGEMENT IN AIRLINE BUSINESS**

Time : 3 hours

Maximum Marks : 100

Note : There are two parts A and B. Both are compulsory.

SECTION - A

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

5x5=25

1. Describe classification of Economies.
2. What are the measures that needs to be taken to tackle energy crisis ?
3. Mention the different charges billed in International cargo handling at an airport.
4. Explain the various types of air craft leasing.

5. Define capital structure.
6. Explain debt service coverage ratio and interest coverage ratio.
7. Explain the critical tasks or steps in strategic management process.

SECTION - B

Answer *any three* questions. All questions carry *equal* marks.

3x25=75

1. Explain the internal and external Environment of Business.
2. What are the major issues of development in India ?
3. Explain the various costs involved in the airline business and its classification.
4. (a) Who all are the major stakeholders in an airport business ?
(b) What is the economic impact of airport. ?
5. What are the important profitability ratios ? How are they worked out ?
6. (a) Explain about payback period method and bring out the advantages and disadvantages of this method.
(b) Determine the payback period for a project which requires a cash outlay of Rs.10,000/- and generates cash inflows of Rs. 2000, Rs. 4000, Rs. 3000/- and Rs. 2000/- in the first, second, third and fourth year respectively.