



NP – 315

**IV Semester B.B.A. Examination, August/September 2023
(NEP Scheme)**

**AVIATION MANAGEMENT
Paper – 4.3 : Airline Finance**

Time : 2½ Hours

Max. Marks : 60

Instruction : Answers should be written in English only.

SECTION – A

1. Answer **any 6** sub-questions of the following. **Each** sub-question carries **2** marks. **(6×2=12)**
- a) What do you mean by Aircraft Leasing ?
 - b) What do you mean by accounting profit ?
 - c) Define insolvency.
 - d) Give the meaning of IPO.
 - e) What is derivatives ?
 - f) What do you mean by air traffic control ?
 - g) Define cash flow statement.
 - h) Describe mergers and bankruptcies.

SECTION – B

Answer **any 3** of the following. **Each** question carries **4** marks. **(3×4=12)**

- 2. Describe Airline Industry before and after deregulation.
- 3. What are the types of airport revenue ?
- 4. Describe the basic principles of accounting.
- 5. Difference between primary markets and secondary markets.

P.T.O.



6. From the following compute 'quick ratio' of an organisation.

Cash in hand	=	5,000
Cash at bank	=	3,000
Stock	=	15,000
Sundry debtors	=	20,000
Prepaid expenses	=	2,000
Bills payable	=	10,000
Sundry creditors	=	5,000
Outstanding expenses	=	25,000
Bank loan (short term)	=	15,000

SECTION – C

Answer **any 3** of the following questions. **Each** question carries **12** marks. **(3×12=36)**

7. List out key financial issues in airlines and explain structure of airline cost control strategies.
8. Explain the instruments of money market.
9. What is working capital management ? And explain the factor affecting working capital management.
10. Write a short note on :
 - a) Capital Asset Pricing Module (CAPM)
 - b) Types of aircraft leasing
 - c) Air traffic control.



11. Following is the Balance Sheet of Aksha Ltd. as at 31-03-2022.

Liabilities	Amt.	Assets	Amt.
	(₹)		(₹)
Equity share capital	3,00,000	Land and Building	2,00,000
General reserve	1,75,000	P and M	1,00,000
Dividend equalization reserve	25,000	Furniture	1,37,500
Debentures	8,000	Investments	1,25,000
Long term loans	2,000	Stock	1,50,000
Creditors	2,00,000	Bills receivable	67,500
Provision for tax	25,000	Cash in hand	60,000
P & L A/c :		Preliminary expenses	40,000
Previous year b/l	5,000		
Current year b/l	1,40,000		
Total	8,80,000	Total	8,80,000

Calculate :

- 1) Current ratio
 - 2) Liquid ratio
 - 3) Net working capital
 - 4) Fixed assets to net-worth ratio
 - 5) Debt - equity ratio
 - 6) Return on capital employed
 - 7) Proprietary ratio
 - 8) Return on equity.
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