



QP – 382

III Semester B.B.A. (Aviation Management)
Examination, March/April 2022
(Fresh) (CBCS)
(2021-22 and Onwards)
Paper – 3.4 : AIRLINE ACCOUNTING

Time : 3 Hours

Max. Marks : 70

Instruction : Answers should be written in **English only**.

SECTION – A

Answer **any five** of the following sub-questions. **Each** question carries **two** marks.

(5×2=10)

1. a) What is dry lease ?
- b) What is future market ?
- c) What is damp lease ?
- d) What is financial derivative ?
- e) What is the formula to evaluate future value using simple and compound annual interest ?
- f) Define airline merger.
- g) The investment of ABC Ltd. ; is Rs. 50,000/- ten years from now, given an annual interest rate of 8%, calculate future value under compound annual interest.

SECTION – B

Answer **any three** of the following questions. **Each** question carries **six** marks. **(3×6=18)**

2. Explain any three types of Asset management ratio.
3. Explain different types of options.
4. Explain any two depreciation methods used in airline industry.

P.T.O.



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SECTION – B

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5. Explain break even analysis.
6. A Ltd. has a current ratio of 2.5:1 and quick ratio of 3:1. if the inventory is Rs. 30,000/-. Find out its total asset and total liabilities.

SECTION – C

Answer **any three** of the following questions. **Each** question carries **fourteen** marks.

(3×14=42)

7. Explain the business model and growth concept of low cost airlines.
8. Explain different pricing strategies related to airline industry.
9. Explain different types of leases used in airline industry.
10. What is fuel hedging ? Explain future market and forward market.
11. Calculate the following ratio on the basis of following information.
 - i) Gross profit ratio
 - ii) Current ratio
 - iii) Acid test ratio
 - iv) Inventory turnover ratio
 - v) Fixed asset turnover ratio

Particulars	Amount (Rs.)
Gross profit	50,000
Revenue from operations	1,00,000
Inventory	15,000
Trade receivables	27,000
Cash and cash equivalents	17,500
Current liabilities	40,000
Land and Buildings	50,000
Plant and machinery	30,000
Furniture	20,000