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**DHANALAKSHMI SRINIVASAN COLLEGE  
OF ARTS & SCIENCE FOR WOMEN  
(AUTONOMOUS)**

(For Candidates admitted from 2019-2020 onwards)



**UG DEGREE EXAMINATIONS APRIL – 2021  
BBA – AVIATION MANAGEMENT  
AIRLINE FINANCE AND AVIATION INSURANCE**

**Time: 3 Hrs**

**Max.Marks: 75**

**PART - A**

**CHOOSE THE CORRECT ANSWER**

**(10X1=10)**

1. Factors affecting Financial Results are
 

a) Cost and Expenses	b) Distance covered	c) Load Factor	d) Brand Value
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2. Liquidity Ratio
 

a) Concern with Airline Reputation	b) Concern with Fixed Assets
c) Concerns with cash position.	d) Concerns with Debtors.
3. Not a Source of Airline Internal Finance
 

a) Depreciation	b) Profit from Sale of Asset	c) Dividend Payment.	d) Deferred Taxes.
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4. Not a Institution Involved in Airline Finance
 

a) Commercial Bank	b) ExIm Bank (USA)
c) Export Development Corporation	d) Rural Development Corporation
5. Aircraft leasing is resorted due to
 

a) To enhance the Image of Airline	b) To Increase the Profit
c) To temporally increase the capacity	d) To increase the market share.
6. Dry Lease refers where.
 

a) The Airline takes facility of Aircraft operating Personnel
b) Aircraft Repair and Maintenance is done by Lessor
c) Only Aircraft is leased without any operating Personnel.
d) Only Insurance has to be borne by Lessee.
7. Financial Projection of Capital expenditure helps in
 

a) Planning the Profit of Airport.	b) Planning Requirements of funds.
c) Planning new Routes.	d) Curtailing existing Routes
8. Not a type of Insurance available in India
 

a) Life Insurance.	b) Health Insurance
c) Vehicle Insurance	d) Exam Insurance over the years

9. Basic principle of Insurance

a) Mutual Good Faith.

c) Tax Saving

b) Welfare for all

d) Economic Development

10. Cost of Aviation Insurance is increasing due to

a) Number of Operating Aircrafts is increasing.

c) Advent of high technology

b) Aviation Accident is increasing.

d) Due to Government policy.

### PART - B

#### ANSWER ALL THE QUESTIONS

(5X7=35)

11. a) Briefly explain the following terms.

a. CASM

b. RASM

c. ASM

(OR)

b) Briefly explain.

a. Net Asset Form of Balance Sheet.

b. Account Format of Balance sheet.

12. a) Briefly explain the various methods of increasing the Airline Revenue.

(OR)

b) Write Short Note on ratios on Inter-Airline comparison

13. a) Briefly explain the Tangible and Intangible Assets of an Airline

(OR)

b) Briefly explain Manufacturer's pre- payment.

14. a) Write a short note on Airline Valuation.

(OR)

b) What do you understand by valuation of Airline as a whole?

15. a) Briefly explain,

a. Profit,

b. Book Profit and

c. Cash Profit.

(OR)

b) Briefly explain.

a. Insurer and Insured.

b. Premium.

c. Policy

### PART - C

#### ANSWER ANY THREE QUESTIONS

(3X10=30)

16. Explain in detail various Cost and Revenue Heads of an operating Airline.

The student has to write about the following expenses and revenue.

17. Explain in detail the key ratios for Inter Airline Comparison.

The student should explain in detail about the following Ratio.

18. Explain in detail Aircraft Leasing its advantage and various types and issues involved.

19. Explain in Detail Airline Securitisation.

20. Explain detail the Airline Insurance, types of insurance policy coverage of risks, insurance liability.