



Name:
Enrolment No:

UNIVERSITY OF PETROLEUM AND ENERGY STUDIES
End Semester Examination, May 2023

Course: AIRPORT ECONOMICS
Program: MBA-AVM
Course Code: TRAV- 7005
Instructions: Attempt all questions.

Semester: II
Time : 03 hrs.
Max. Marks: 100

SECTION A
10Qx2M=20Marks

S. No.		Marks	CO
Q 1	Statement of question		CO1
1	Marginal cost also called as : 1. Fixed cost of capital 2. Administration costs 3. Overhead cost 4. Extra cost of supplying a particular service	02 Marks	CO1
2	“It would not be possible to have two complete airports serving the same region and merely duplicating each other’s facilities”. Statement explains which characteristic of public utility: 1. Conditions of space 2. High fixed cost 3. Large capital investment 4. Technology	02 Marks	CO1
3	For the determination of rate structure, it is essential to keep under consideration two types of costs attributable to service: 1. Marginal cost attributable to service 2. Overhead costs attributable to public utility as a whole 3. Marginal cost attributable to public utility as a whole 4. Overhead costs attributable to public utility partially Choose any one of the options given below: a) Option 1 & 2 both b) Option 1 & 3 both c) Option 2 & 3 both d) Option 3 & 4 both	02 Marks	CO1
4	AAI decided to impose cross-ownership restrictions between Delhi and Mumbai airports, which will preclude: 1. Any common ownership by successful bidders with common prime members throughout the term of the concession period 2. Any common ownership or common involvement by an airport operator via participation through a service performance contract 3. Option ‘a’ and ‘b’	02 Marks	CO1

	4. Either option 'a' or 'b'		
5	The charges are calculated by dividing the estimated cost by the accumulated maximum permissible take-off weight of the aircraft that are estimated to take-off from the airport in that year, is known as and its measurement units is: 1) Landing charge & per metric tonne 2) Lighting charges and per aircraft movement 3) Aerodrome charges & per metric tonne 4) Landing charge & per aircraft movement	02 Marks	CO1
6	Which of the following determinant does not represent the parking charge: 1) Use of parking, hanger and long-term storage of aircraft 2) Maximum permissible take-off weight 3) Length of stay 4) Aircraft movement	02 Marks	CO1
7	The charges, calculated by dividing the estimated cost by total estimated number of departing or arriving passengers for that year, are called as 1) Hanger charges 2) Aerobridge charges 3) Cargo charges 4) Security charges	02 Marks	CO1
8	Route Navigation for Facility Charges (RNFC) for Landing Flights: 1. Rs.(R / D x W) 2. Rs. (R+D x W) 3. Rs.(R x D - W) 4. Rs.(R x D x W)	02 Marks	CO1
9	Which of the following RAB method does not incentivize cost minimization: 1. Rate of Return method 2. WACC method 3. Light touch regulation method 4. All of the above	02 Marks	CO1
10	If you were allocated the slot last year but used it, less than a certain proportion of time, then it will be given to someone else next year. This statement describes which slot scheduling rule: 1. Grandfathering 2. Directed discretion 3. Use it or lose it 4. Priority for regular services	02 Marks	CO1
SECTION B 4Qx5M= 20 Marks			
	Statement of question		CO2
11	Why is an independent airport economics regulation needed?	05 Marks	CO2
12	Explain sustained capacity and its rationale	05 Marks	CO2

13	Define single till and dual till approach of regulatory till	05 Marks	CO2	
14	What are the examples of revenues from air traffic operations?	05 Marks	CO2	
15	Explain that how local character of airport affects its business?	05 Marks	CO2	
SECTION-C 3Qx10M=30 Marks				
Q.3	Statement of question		CO3	
16	Define Runway capacity? What are the types of runways, measures for runway capacity and also explain the factors affecting the runway capacity.	10 Marks	CO3	
17	“The price in each market will cover the costs” directly attributable to that market plus a contribution towards OH based on elasticity of demand. Discuss that how this theoretical understanding can help you in airport pricing decisions.	10 Marks	CO3	
18	Explain that how the following pricing methods are in use at the airports in different situations: a. Peak load pricing b. Marginal cost pricing c. Ramsey pricing	10 Marks	CO3	
19	Discuss the airport revenue structure with the help of an example.	10 Marks	CO3	
SECTION-D 2Qx15M= 30 Marks				
20	Statement of question		CO4	
	Calculate analyse and discuss the following performance parameters of the Copenhagen Airport: 1. Passenger per employee 2. Aircraft movement per employee 3. Passenger per check - in- counter 4. Passenger per gate 5. Passengers per Square Meter of Terminal	30 Marks	CO4	
CAPACITY				
RUNWAYS				3
TERMINAL SIZE (METER SQUARE)				90300
GATES				106
CHECH-IN COUNTERS				128
EMPLOYEES				1399
	2020			2021
Air Movements	288739			266894
Passengers (000’s)	18136			18272
Cargo(metric tonnes)	379037	373694		