Centre for Aerospace & Defence Laws (CADL)
DIRECTORATE OF DISTANCE EDUCATION
NALSAR UNIVERSITY OF LAW, HYDERABAD

M.A. (AVIATION LAW & AIR TRANSPORT MANAGEMENT)

Academic Year: 2024-2025

Third Semester Repeat Examination (May, 2025)

2.3.9. Air Transport Economics and Statistics

Duration of the Examination: 2 ½ hours **Total Marks: 70 marks**

INSTRUCTIONS TO CANDIDATES

a) **Read the instructions carefully and adhere to the same.**
b) **Please mention your DDE ID No., date of the exam, name of the programme & subject on the Answer Sheet and the Additional Answer Sheets, if any.**
c) **The questions to be interpreted as given and no clarification can be sought from the Invigilator.**
d) **Clearly indicate the question numbers while answering them. Answers without question numbers / wrong question numbers will not be evaluated.**
e) **Write the answers clearly and neatly. Answers in illegible handwriting will not be taken into consideration.**
f) **Candidates are prohibited to carry phones or any other electronic devices, books, material etc. in the Examination Hall.**
g) **Copying is strictly prohibited and is considered as a serious academic mis-conduct and the University will take action as it deems fit.**

Section – A

Answer FIVE questions out of SEVEN questions and each question carries 10 marks. (5 x 10 marks = 50 marks)

1. Give a demand schedule and draw a demand curve for air transportation from it. What role does income and price elasticity of demand play in determining the demand for air transportation?

2. Discuss the main advantages of using quantitative forecasting over qualitative forecasting.

3. The US Airline Deregulation Act of 1978 dramatically changed the global financial condition of the airline industry as other countries began to follow suit and deregulate their own industries. Discuss the post-deregulation cyclical behaviour of the airline industry.

4. Explain the economic and social benefits of air transport.

5. Discuss direct, indirect and induced effects that of air transport on tourism employment and GDP.

6. If the income statements of all U.S. air carrier airports were summarized the revenue starts near zero and expense, on the other hand, begins at a fixed amount, can you explain by constructing graph? What are the possible reasons of variations that airports with less than 500,000 annual enplanements have been known to stand on a firm financial footing while some larger airports flounder?

7. 'International air transport proved to be a sector where full inclusion in GATS was impossible', how would explain this statement?

Section – B

Answer FOUR questions out of SIX questions and each question carries 05 marks. (4 x 5 marks = 20 marks)

A) Discuss the cost and benefits of airline mergers with examples.

B) Distinguish between direct and indirect impact of air transport industry.

C) In ICAO's Policies on Charges for Airports and Air Navigation Services (Doc 9082, Section I, paragraphs 9-10) the Council of ICAO endorsed the application of principles of best practices of good corporate governance for airports. What are these principles?

D) Economists generally argue that the world at large will benefit from free trade and that trade liberalization can promote development. Illustrate this with an example of airline transport.

E) Explain why indifference curves are negatively sloped and do not intersect each other. How will you derive consumer equilibrium from this curve?

F) Aircraft manufacturing market resembles oligopoly or monopoly, answer the question with proper reasoning.