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**UNIVERSITY OF PETROLEUM
AND ENERGY STUDIES**



End Semester Examination – March, 2018

Program/course: MBA(AVM) Sem-IV

Subject: Aviation Regulatory Management

Code : MDSA-836

No. of page/s: 2

Semester – IV

Max. Marks : 100

Duration : 3 Hrs

Section-A

(Attempt all the questions)

Q1. Define the following as per AERA Consultation Paper No. 5/2010-11 Assess 10 X 2= 20

- a) Regulatory Building Blocks
- b) Estimated Maximum Allowed Yield
- c) Capital Asset Pricing Model
- d) Aggregate Revenue Requirement
- e) Annual Compliance Statement
- f) Control Period
- g) Materiality
- h) Competition
 - i) Fair rate of Return
 - j) Forecast Error Correction Term

Group B

Attempt all the questions

Q2. Write/Explain in brief the following in response to AERA white paper 5 X 4 = 20

- a) Principles of regulatory process
- b) Approach to Assessment of Materiality
- c) Approach to Assessment of Competition
- d) Procedure for determination of Aggregate Revenue Requirement for Regulated Service(s) deemed 'material and not competitive'
- e) Gearing

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Group C

Q3. Write in detail for any of the two questions given below.

2 X 15 = 30

- (a) Explain the procedure for submission and review of Tariff Proposals
- (b) Explain the procedure for determination of Aggregate Revenue Requirement for Regulated Service(s) deemed 'material and not competitive'
- (c) What guiding principle AERA Act provides on the regulatory process to be followed by AERA while discharging its statutory functions in terms of provision of Section 13 (4)

Group D

Q4. Reply in detail all the five questions given below

5X 6 = 30

- i) Explain five regulatory approaches with examples.
- ii) Explain various powers of AERA as per AERA act 2008.
- iii) Explain Powers of Authority to call for information, conduct investigations and to issue certain directions.
- iv) Discuss the Till approach to Price Cap Regulation in the context of Indian Airports. Also give comments of DIAL in response to AERA white paper on till approach..
- v) Explain Fair Rate of Return in the context of economic regulation of airports DIAL reply to AERA white paper.

