**DV162\_6\_PAS\_On CapEx Vs OpEx  
Possible Answers Sheet**

| Q1 | Most important thing when it comes to building an application/starting a business is capital (Money)? True/False |
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| ANS | False. |
| Q2 | What would small and large businesses have to purchase if they want to grow their business? |
| ANS | Small and large businesses may need to purchase various resources and services to grow their business, including technology infrastructure, equipment, software licenses, marketing services, additional workforce, and more. |
| Q3 | Nowadays businesses don’t have to invest in services like data centers or services they can get all those services for cloud service providers? True/False. |
| ANS | True. |
| Q4 | What are two options that businesses have now that help businesses to provide services to their customers faster? |
| ANS | Two options that businesses have to provide services to their customers faster are leveraging cloud computing services for rapid deployment and scalability, and adopting agile development methodologies for quicker iterations and releases. |
| Q5 | What is CapEx (Capital expenditure)? |
| ANS | CapEx (Capital expenditure) refers to the spending of money on physical assets or investments that have long-term value and are used to generate income for the business, such as property, equipment, or infrastructure. |
| Q6 | What is OpEx (Operational expenditure)? |
| ANS | OpEx (Operational expenditure) refers to the day-to-day expenses incurred in running a business, such as salaries, utilities, rent, maintenance, and other operational costs. |
| Q7 | What is the benefit of using OpEx operational expenditure? |
| ANS | The benefit of using OpEx operational expenditure is that it allows businesses to have more flexibility and agility in managing their expenses. Instead of large upfront investments, OpEx allows for ongoing, pay-as-you-go spending, which can be adjusted more easily according to business needs and fluctuations in demand. |
| Q8 | What do we need if we build a data center? |
| ANS | If we build a data center, we would need physical space, power supply, cooling systems, networking infrastructure, servers, storage devices, security systems, and other equipment to house and manage the data center operations. |
| Q9 | What are some examples of OpEx operational expenditure? |
| ANS | Some examples of OpEx operational expenditure include employee salaries and benefits, utility bills, rental or lease payments for office space, software subscriptions, cloud service usage fees, marketing expenses, and ongoing maintenance costs. |
| Q10 | In cloud services all the CapEx and OpEx are available for a fraction of cost and the user pays as they use the services? True/False |
| ANS | True. |