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Grade 18.00 out of 20.00 (90%)

Question **1**

Correct

Mark 1.00 out of 1.00

What does the word 'Pivot' mean in the context of a startup?

- ☐ It is the business unit that plays a pivotal role in the profitability and sustainability of a company.
- ☒ It means that a venture stops executing its current business model, especially since the business shows no sign of success, and pursues a different one. 
- ☐ It is the central theme of any business model that helps to define the vision.
- ☐ It is the leader of the team who plays the pivotal role to ensure the entire team works in unison.


The correct answer is: It means that a venture stops executing its current business model, especially since the business shows no sign of success, and pursues a different one.

Question **2**

Incorrect

Mark 0.00 out of 1.00

You have a business of manufacturing and selling bread. Now, you want to diversify your product range. You think that customers are interested in sugar-free sweet bread. However, before investing in all infrastructure for manufacturing and going to market with the sugar-free sweet bread, you want to get real data on consumer preferences. So, you want to commission a market research to know this for sure. Which of the following you will adopt?

- ☐ By source: secondary, by method: quantitative, by objective: descriptive
- ☒ By source: primary, by method: quantitative, by objective: exploratory 
- ☐ By source: primary, by method: quantitative, by objective: descriptive
- ☐ By source: primary, by method: qualitative, by objective: descriptive
- ☐ By source: secondary, by method: qualitative, by objective: exploratory


The correct answer is: By source: primary, by method: quantitative, by objective: descriptive

Question 3

Correct

Mark 1.00 out of 1.00

Which of the following is the correct interpretation of the construct 'insurgent mission' in the context of entrepreneurship mentality?

- ☒ You are at war against competitors on behalf of the underserved customers and would not stop until you win. 
- ☐ You are in a blue ocean market and want to translate that into a red ocean.
- ☐ You are on a mission to wage a war with the customers and want to win them over at any cost.
- ☐ You want to acquire customers by hook or crook and that no rule applies to you.

The correct answer is: You are at war against competitors on behalf of the underserved customers and would not stop until you win.

Question 4

Correct

Mark 1.00 out of 1.00

The following data are related to a company for the financial year 2019-2020.

Amortization: Rs. 50

Interest payment: Rs.100

Income tax: 100


Depreciation: Rs.100

Other operating expenses: Rs.450

Dividend: Rs.200

Gross profit: Rs.900

What is the operating profit for the year 2019-20?

- ☐ a. 200
- ☐ b. 400
- ☐ c. 450
- ☒ d. 300 

The correct answer is: 300

Question **5**

Correct

Mark 1.00 out of 1.00

A new venture raises ₹ 10 million at a pre-money valuation of ₹ 10 million in the form of 2x liquidation participating preference shares. The venture has a liquidation event for ₹ 20 million. How much money the founders receive?

- ☐ a. ₹ 5 million
- ☐ b. ₹ 10 million
- ☒ c. ₹ 0 million
- ☐ d. ₹ 20 million



The correct answer is: ₹ 0 million

Question **6**

Correct

Mark 1.00 out of 1.00

Which of the following combination is INCORRECT?

- ☐ Product = customer solution that relieves their pain
- ☐ Place = Communicate with customers and deliver the goods or services.
- ☐ Price = Cost to the customers or pain to the customers.
- ☐ Promotion = Convenience to the customer.
- ☒ People = the product-market-fit and try alleviating the pain as far as possible.



The correct answer is: People = the product-market-fit and try alleviating the pain as far as possible.

Question 7

Correct

Mark 1.00 out of 1.00

Which of the following is NOT correct about marketing mix?

- ☒ Marketing mix includes 'process' and it includes how the process technology can help the company to optimize resources and offer the best value for the customers' money. ✓
- ☐ Marketing mix includes 'promotion' including advertisement, public relation, social network, content marketing and more.
- ☐ Marketing mix includes 'product' and it focuses on the product-market-fit, competitive advantage in terms of differentiators, quality, efficacy, branding, and such.
- ☐ Marketing mix includes 'place' such as delivery channels, purchase & payment method, and after-sales services.
- ☐ Marketing mix includes 'pricing' to enhance sales by offering competitive price, easy payment terms, bundle offer, etc.

The correct answer is: Marketing mix includes 'process' and it includes how the process technology can help the company to optimize resources and offer the best value for the customers' money.

Question 8

Correct

Mark 1.00 out of 1.00

Which of the following statements is most appropriate?

- ☐ A business model is mostly a written document or slide deck delineating the process of execution, marketing and growth plan, and the projected financial performance.
- ☐ A business model describes the rationale of how an organization builds a team, identifies opportunities, and goes-to-market.
- ☒ A business model describes the rationale of how an organization creates, delivers, and captures value, in economic, social, cultural, or other contexts. ✓
- ☐ A business model describes the rationale of how an organization develops products or services using modern cutting-edge and futuristic technologies.

The correct answer is: A business model describes the rationale of how an organization creates, delivers, and captures value, in economic, social, cultural, or other contexts.

Question **9**

Correct

Mark 1.00 out of 1.00

A new venture raises ₹ 10 million at a pre-money valuation of ₹ 10 million in the form of 1x liquidation participating preference shares. The venture has a liquidation event for ₹ 20 million. How much money the founders receive?

- ☒ a. ₹ 5 million
- ☐ b. ₹ 0 million
- ☐ c. ₹ 10 million
- ☐ d. ₹ 20 million



The correct answer is: ₹ 5 million

Question **10**

Correct

Mark 1.00 out of 1.00

The following data are related to a company for the financial year 2016-2017.

Gross profit: Rs.700

Interest payment: Rs.50

Depreciation: Rs.50

Salary: 250

Rent: 50

Other operating expenses: Rs.200

Dividend: Rs.100

What is the operating profit for the company during 2016-17?

- ☐ 250
- ☐ 200
- ☒ 150
- ☐ 50



The correct answer is: 150

Question **11**

Correct

Mark 1.00 out of 1.00

The following data are related to a company for the financial year 2016-2017.

Gross profit: ₹ 800

Interest payment: ₹ 50

Depreciation: ₹ 50

Other operating expenses: ₹ 400

Dividend: ₹ 100

Assume that the company doesn't pay any income tax, what is the retained profit based on the above data?

- ☐ a. ₹ 300
- ☐ b. ₹ 100
- ☐ c. ₹ 150
- ☒ d. ₹ 200



The correct answer is: ₹ 200

Question **12**

Correct

Mark 1.00 out of 1.00

The following data are related to a company for the financial year 2019-2020.

Gross profit: ₹ 600

Amortization: ₹ 10

Interest payment: ₹ 50

Depreciation: ₹ 40

Other operating expenses: ₹ 200

Dividend: ₹ 100

If the income tax is 30% what is the retained profit?

- ☐ a. ₹ 40
- ☐ b. ₹ 60
- ☒ c. ₹ 110
- ☐ d. ₹ 80



The correct answer is: ₹ 110

Question **13**

Correct

Mark 1.00 out of 1.00

The following information pertains to a company for a particular year:

Sales: Rs. 800

Closing Stock: Rs.100

Depreciation: 100

Opening Stock: Rs.50

Amortization: 100

Purchase of goods: Rs.400

What is the gross profit for the period?

- ☐ 300
- ☐ 350
- ☒ 450
- ☐ 250



The correct answer is: 450

Question **14**

Correct

Mark 1.00 out of 1.00

For which of the following, cash flow statement is not useful?

- ☐ To know when to raise money
- ☐ To know how liquid is the company
- ☐ To know if the company will find it difficult to meet the financial commitment in the future
- ☒ To know when the company will be able to make a profit.



The correct answer is: To know when the company will be able to make a profit.

Question **15**

Correct

Mark 1.00 out of 1.00

Which of the following is NOT part of the primary sources of data for market research?

- ☒ Newspaper.
- ☐ Questionnaire through internet.
- ☐ Observation
- ☐ Survey
- ☐ Focused group and interviews thereof.



The correct answer is: Newspaper.

Question **16**

Correct

Mark 1.00 out of 1.00

Guy Kawasaki recommended

- ☐ Thirty-minute presentation, twenty slides, and minimum ten font size
- ☐ Twenty-minute presentation, thirty slides, and minimum ten font size
- ☐ Ten-minute presentation, twenty slides, and minimum thirty font size
- ☒ Twenty-minute presentation, ten slides, and minimum thirty font size



The correct answer is: Twenty-minute presentation, ten slides, and minimum thirty font size

Question **17**

Correct

Mark 1.00 out of 1.00

For a company, the fixed cost $F = ₹ 50,000$ per year, the variable cost $V = ₹ 20$ per unit, selling price $S = ₹ 30$ per unit. How many units the company should produce and sell to make a profit of ₹ 5,000?

- ☐ 6,500
- ☐ 10,000
- ☒ 5,500
- ☐ 5,000



The correct answer is: 5,500

Question **18**

Incorrect

Mark 0.00 out of 1.00

Which of the following are components of the lean startup?

- A. Repeated experimentation and iteration
- B. A detailed plan about the shortest possible execution to ensure the quick and successful start of the venture.
- C. Customer feedback
- D. Building an MVP

- ☐ A, C, & D
- ☐ A, B, & C
- ☐ A, B, & D
- ☒ B, C, & D



The correct answer is: A, C, & D

Question 19

Correct

Mark 1.00 out of 1.00

A company has procured an asset for ₹ 150 at the beginning of the financial year 2017-18. The asset has useful life of 5 years and the salvage value of the asset has been estimated at ₹ 50. The company follows a policy of 10% depreciation wherever applicable. Estimate the depreciation for the year 2017-18 using straight-line method and find out the book value of the said asset as on 31.03.2018. (be mindful of excess data than necessary).

- ☐ a. 140
- ☐ b. 135
- ☒ c. 130
- ☐ d. 80



The correct answer is: 130

Question 20

Correct

Mark 1.00 out of 1.00

Which is the right chronological order of the process of customer acquisition through the sales funnel?

- ☐ Intent, awareness, Interest, consideration, evaluation, purchase
- ☒ Awareness, interest, consideration, intent, evaluation, purchase
- ☐ Consideration, awareness, Interest, intent, evaluation, purchase
- ☐ Interest, awareness, consideration, intent, evaluation, purchase



The correct answer is: Awareness, interest, consideration, intent, evaluation, purchase