

FINAL EXAMINATION

December 2025

P-20C(ENTS)

Syllabus 2022

ENTREPRENEURSHIP AND START-UP

Time Allowed: 3 Hours

Full Marks: 100

The figures in the margin on the right side indicate full marks.

All Sections are compulsory. Each Section contains instructions regarding the number of questions to be answered within the Section.

All working notes must form part of the answer.

Wherever necessary, candidates may make appropriate assumptions and clearly state them in the respective answer.

Section-A

This Section contains Question No. 1. All parts of this question are compulsory.

1. (a) **Choose the correct answer from the given four alternatives.** 2×10=20

(i) _____ happens when companies promote their products or services to consumers who are unaware that they are being marketed to.

- (A) Inbound marketing
- (B) Outbound marketing
- (C) Stealth marketing
- (D) Guerrilla marketing

(ii) Presence of excess amount of working capital leads to _____.

- (A) increase in profitability and liquidity
- (B) decrease in liquidity and increase in profitability
- (C) increase in liquidity and decrease in profitability
- (D) decrease in liquidity and decrease in profitability

(iii) _____ are individuals with surplus cash and a keen interest to invest in upcoming start-ups.

- (A) Angel Investors
- (B) Venture Capitalists
- (C) Private Equity Owners
- (D) Crowdfunding

- (iv) Which of the following is not an innovation suggested by OECD?
 - (A) Marketing innovation
 - (B) Product innovation
 - (C) Organizational innovation
 - (D) Price innovation

- (v) Which of the following is not a constituent of micro environment?
 - (A) Customers
 - (B) Suppliers
 - (C) Demographics
 - (D) Competitors

- (vi) Data Analytics is defined as the science of integrating _____ data from diverse sources, drawing inferences, and making predictions to help innovation and decision-making.
 - (A) Homogeneous
 - (B) Heterogeneous
 - (C) Static
 - (D) Dynamic

- (vii) In which of these exit strategies, a company offers shares privately to individuals or a select group of investors to raise funds?
 - (A) Initial Public Offering
 - (B) Acquisition
 - (C) Private Offerring
 - (D) Venture Capital

- (viii) Select which one is the Component of The COSOERM Framework, like the Internal Control Framework.
 - (A) Governance and Culture
 - (B) Performance
 - (C) Review and Revision
 - (D) All of the above

- (ix) _____ views that moral or ethical systems, may vary from culture to culture, but no one system is better than other.
- (A) Cross Culture
 - (B) Consumerism
 - (C) Cultural Relativism
 - (D) Corporate Culture
- (x) Import-Export is an example of _____.
- (A) employment
 - (B) market intermediary
 - (C) organizational support
 - (D) market linkage
- (b) **Read the following Scenario (case study) and answer the following questions.**

2×5=10

FRESHSIP Beverages, a new entrant in the soft drink market, faces tough competition from established soft drink brands. To stand out, FreshSip primarily decides to adopt a positioning strategy by highlighting its use of natural fruit extracts and zero artificial sweeteners. It also emphasizes health-consciousness, targeting fitness enthusiasts and young professionals seeking healthier alternatives. FreshSip's communication campaign uses social media influencers and gym partnerships to create awareness. The company's tagline, "Refresh Naturally", serves as its brand mantra. By combining multiple positioning strategies, FreshSip aims to occupy a unique place in the consumer's mind and win brand loyalty.

Choose the correct option from the given four alternatives based on the above scenario:

- (xi) Which positioning strategy did FreshSip primarily adopt to differentiate itself?
- (A) Pricing-based positioning
 - (B) Characteristics-based positioning
 - (C) Quality-based positioning
 - (D) Competitor-based positioning
- (xii) FreshSip differentiates itself from established soft drink brands by emphasizing its natural ingredients. This reflects which type of positioning?
- (A) Prestige-based positioning
 - (B) Competitor-based positioning
 - (C) Price-based positioning
 - (D) Distribution-based positioning

- (xiii) FreshSip partnered with gyms and fitness influencers. This reflects which type of positioning?
- (A) Prestige-based positioning
 - (B) Price-based positioning
 - (C) Competitor-based positioning
 - (D) Application-based positioning
- (xiv) Suppose FreshSip decides to cut prices to attract budget-conscious college students. Which strategy would this represent?
- (A) Price-based positioning
 - (B) Competitor-based positioning
 - (C) Quality-based positioning
 - (D) Application-based positioning
- (xv) If FreshSip collaborates with luxury hotels to serve its drinks exclusively, which positioning approach is emphasized?
- (A) Competitor-based positioning
 - (B) Prestige-based positioning
 - (C) Price-based positioning
 - (D) Characteristics-based positioning

Section B

Answer any five questions from Question No. 2 to Question No. 8.

Each question carries 14 marks.

14×5=70

2. (a) "Psychological theories on entrepreneurship explains how a person's mind, motivation and behaviour make him choose to start and sustain a business."—**In the light of the above statement, assess** McClelland's Theory of Motivation and Action Regulation Theory. 7
- (b) "Marketers seek to influence the level, timing, and composition of demand to meet the organization's objectives."—**In the given context, suggest** eight demand states that the marketers may encounter. 7
3. (a) **Critically assess** various problems faced by the Order to Cash Team in an organization. 7

- (b) **BITAN Ltd.**, a manufacturing Company, manufactures Product TB used in the Steel Industry. The Company has applied to HBFC Bank for the first time for financing Working Capital Requirements. The following information regarding the Company in this respect is given as under :

(i)	Expected level of production 90000 units per annum.
(ii)	Raw materials are expected to remain in Store for an average of two months before issue to production.
(iii)	Work-in progress (50 per cent complete as to conversion cost) will approximate to ½ month's production.
(iv)	Finished goods remain in warehouse on an average for two months.
(v)	Credit allowed by suppliers is one month.
(vi)	Two month's credit is normally allowed to debtors.
(vii)	A minimum cash balance of ₹ 6,75,000 is expected to be maintained.
(viii)	Cash sales are 75 per cent less than the credit sales.
(ix)	Safety margin of 20 per cent to cover unforeseen contingencies.
(x)	The production pattern is assumed to be even during the year (12 months).
(xi)	The cost structure for Bitan Ltd.'s product TB is as follows :
	₹
	Raw Materials 80 per unit
	Direct Labour 20 per unit
	Overheads (including depreciation ₹ 20) 80 per unit
	Total Cost 180 per unit
	Profit 20 per unit
	Selling Price 200 per unit

Additional Information:

The following are the holding norms accepted by the Bank for the particular Industry :

Stock of Raw Material	2 Months
Work-in-Progress	½ Month
Receivables (Book debts)	2 Months
Finished goods	2 Months
Payables (Payment to Suppliers)	1 Month

Required :

- (i) **Assess the need** of working Capital of the Company.
 - (ii) **Analyze how** much of above (1) the Banks are likely to finance (Permissible Bank Borrowings) considering 25% of the current assets as margin money. 7
4. (a) "Financing is needed to Start a business and ramp it up to Profitability"—**In this Context Suggest** the Source of Finance for a star-up during Pre-seed Stage and Seed Stage. 7
- (b) "The Data Analytics Techniques can reveal trends and metrics that would otherwise be lost in the mass of information"—**In this given Context Demonstrate** the application of Data Analytics in various Industry Sectors. 7
5. (a) "A business model is the conceptual structure supporting the viability of a business, including its purpose, its goals and its ongoing plans for achieving them."—**In this context critically assess** the Disintermediation Model and Subscription Model for establishing a startup. 7
- (b) "Packaging is the Science, Art and Technology of enclosing or protecting Product for distribution, Storage, Sales and use"—**In this Context Analyze** the Importance of packaging to a successful start-up. 7
6. (a) Briefly **demonstrate** the different stages of start-up funding. 7
- (b) "Risk mitigation is the process of Planning for disasters and having a way to lessen negative impact"—**In this Context Analyze** various Strategies for risk mitigation. 7
7. (a) **Suggest** the key elements of a good Vision Statement and **Assess** the importance of Vision Statement for an organization. 7
- (b) "Micro Small and Medium Enterprises (MSMEs) are a Vital part of the Indian Economy and have made significant contribution to the Country's Socio-economic growth"—**In this given Context Analyze** the role and importance of MSMEs in Indian Economy. 7

8. Case study:

Mr. KARTIKAY is professionally qualified Cost Accountant, having vast experience in corporate world. Recently he is appointed as Chief Executive of State Pollution Control Board. There are large number of MSMEs (Micro Small Medium Enterprises) situated in area and majority of units are floated by first generation rural entrepreneur. Most of the MSMEs are providing employment to persons residing in rural area and giving them job security and job satisfaction. All MSMEs have clearance certificate from the competent authority of State Pollution Control Board.

Recently people residing near these units face continuous health problems. The locals blame that the majority of MSME units were violating rules and regulations. Kartikay as a Chief Executive of State Pollution Control Board received several complaints of violations from various peoples and NGO's in this regard. Kartikay issued direction for on spot checking of these units and reissue of environmental clearance certificate. This act of Kartikay leads to unrest in these units and the workers are worried with regard to their job security. MSME units are worried about their future and probable financial loss from this happening.

Based on the scenario (case study) stated supra, you are required to :

- (i) **Analyze** the ethical dilemma faced by Mr. Kartikay, the Chief Executive of State Pollution Control Board in present situation.
- (ii) **Suggest** the possible alternatives available and **recommend** a mechanism to ensure environmental compliance.

