

INDIAN MARITIME UNIVERSITY
(A CENTRAL UNIVERSITY, GOVT. OF INDIA)

SEMESTER- II, SCHOOL OF MARITIME MANAGEMENT- JUNE 2014 EXAMS

BUSINESS PROMOTION AND ENTREPRENEURSHIP (T 1206)
(AY 2013-14 batch onwards)

Time:- 3 Hrs
Date: 30.06.2014

Max Marks : 60

SECTION - A (12 X1 = 12 Marks)

Answer all the Questions. All Questions carry equal marks

1. _____ entrepreneurs may suffer losses but do not make changes in production methods.
a) Adoptive b) Fabian c) Forced. d) Drone
2. According to _____, an "entrepreneur is one who is always searches for change, responds to it, and exploits it as an opportunity".
a) Schumpeter b) Drucker c) Walker d) McClelland
3. Which one of the following is a quality of a successful entrepreneur?
a) Social Stigma b) Persistent problem solving
c) Religious belief d) Lack of market knowledge
4. Which one of the following is an event oriented approach?
a) NPV b) PERT c) CPM d) IRR
5. Factory design is equivalent to
a) Building design b) Factory layout c) Both A and B d) None of the above
6. Financial analysis ignores externalities.
a) True b) Partially True c) False d) None of the above
7. Lease finance is a source of _____.
a) Short terms finance b) Term loan c) Long term finance d) Preference shares
8. Which one of the following EDPs is the oldest and longest operating programme in India?
a) U.P EDP b) M.P EDP c) Kakinada EDP d) Gujarat EDP
9. Business games are done in
a) Real time situations b) Learning by doing
c) Simulated environment d) None of the above

10. "Recruitment is selecting people for the job along with offer letters". This statement is _____
a) True b) False c) Partially True d) None of the above
11. "Subsidy confers benefit on a particular industry and includes concessions and bounties". The above statement is _____
a) True b) Partially True c) False d) None of the above
12. Permanent registration of a SSI is granted based on the inspection by District industries centre. The inspection should include an assessment of _____
a) Financial worthiness b) Installed capacity
c) Human Resource d) All of the above

SECTION - B

(5 X4 = 20 Marks)

Answer any FIVE questions not exceeding 200 words. All questions carry equal marks

13. Write down any four barriers to entrepreneurship and describe how they hamper the development entrepreneurship?
14. Explain Schumpeter and McClelland's views on the characteristics of entrepreneurship.
15. Explain the salient features of CPM.
16. Explain various sources of business ideas.
17. Describe the importance of proforma profit and loss statement, and proforma balance sheet for a project.
18. Define business etiquette and social grace? Provide examples to substantiate your answer.
19. Write down any four differences between a Partnership firm and a Joint Stock company.

SECTION - C

(4 X7 = 28 Marks)

Answer question no.20 (compulsory) and any 3(three) from the rest:

20. Mr.Ashish's company Sahu Cosmetics had started a beauty product line for stopping hair fall under the brand name of 'ADORABLE' before two years. The product line is close to the heart of Mr.Ashish. Initially, the company invested in volumes on research and development and did lots of clinical tests for the development of an ayurvedic shampoo for men and women without side effects. The product is sold in plastic bottles of 200ml. The company with the help of a consultant did a market survey for their product which revealed that there is demand for their product among middle class consumers in the market. The market survey also revealed that the price of the shampoo

bottle is high to the middle class consumers compared to other related products available in the market.

However, Sahu Cosmetics could not reduce the price due to huge investment on research and development which has already added to the cost of the company. Nevertheless, the company launched the product on a promotional sale basis at a reduced price initially for six months across India.

After six months, when the company started releasing the product with its original price, the true picture emerged. High price of the product with huge competitive forces coupled with reduced demand have lowered the profits of the company till date. However, Mr. Ashish wants to continue the production and wants to adopt various strategy options for the revival of market for Sahu Cosmetic's shampoo product. The company hired a film actress as their brand ambassador and invested money on advertising in media. However, these measures could not fetch more consumers. Further, the challenge in front of the company is to sell the inventory that is lying in the warehouse of the company and to continue in the market for hair growth products.

Mr. Ashish has hired you as a consultant who will help promotional strategy formulation of the product. Describe in detail the other promotional strategy options you would suggest to Mr. Ashish for the promotion of the shampoo product of Sahu Cosmetics?

21. Write down a note on qualities of a successful entrepreneur?
22. Explain in detail PERT and provide a numerical example to substantiate your answer.
23. Describe in detail various sources of long term finance.
24. Explain in detail phases of Entrepreneurship Development Programmes.
25. Explain various steps involved in starting of small industry.
