

# AR19

Code: 19MBA3014

**SET-2**

**ADITYA INSTITUTE OF TECHNOLOGY AND MANAGEMENT, TEKKALI  
(AUTONOMOUS)**

**III Semester MBA Regular & Supplementary Examinations, March-2022**

**PLANNING, STRUCTURING, AND FINANCING SMALL BUSINESS**

**Time: 3 Hrs**

**Max. Marks: 60**

**Answer any Five questions  
All questions carry EQUAL marks  
Question No. 8 is Compulsory**

- |    |  |     |
|----|--|-----|
| 1. | a) Define MSMEs and explain the Characteristics of Successful Businessmen                                      | 6M  |
|    | b) Explain the reasons for Establishing MSMEs, Advantages and Disadvantages of MSMEs                           | 6M  |
| 2. | a) Explain the Reasons for Establishment of MSMEs, and its Role in Economic Development.                       | 6M  |
|    | b) Explain the need for business model, key components of business model and various Types of business models. | 6M  |
| 3. | a) Explain the Government Policy and Development of MSMEs  | 6M  |
|    | b) Explain the problems and potentials of exports from MSMEs in India.   | 6M  |
| 4. | a) Elucidate various Incentives and Subsidies for MSMEs given by government                                    | 6M  |
|    | b) Explain Entrepreneurship Development Programme in India: Planning, Implementation and Evaluation.           | 6M  |
| 5. | a) Explain working capital requirements via Operating Cycle of MSMEs.  | 6M  |
|    | b) Elucidate the financial support provided by NABARD, NSIC and State Financial Corporations.                  | 6M  |
| 6. | a) Explain top ten venture capital firms (VC's) in India that provide the venture funds to MSMEs.              | 6M  |
|    | b) Explain the concept of venture capital, types of venture capital.   | 6M  |
| 7. | a) Explain the importance of strategic Management in MSMEs.  | 6M  |
|    | b) Explain the crisis Management in Micro Small and Medium Enterprises with examples                           | 6M  |
| 8. | <b>CASE STUDY:</b>   | 12M |

On October 6, 2018, Zomato, the online restaurant discovery and food delivery company in India, claimed that it had achieved a monthly order quantity of 21 million during September 2018. Though the company claimed leadership position in the food delivery market across the country, there were conflicting reports that Swiggy – Zomato's competitor, had comparatively delivered more number of orders during September 2018.

The online food delivery sector turned out to become one of the swiftest developments in the e-commerce space in India after 2008. This sector metamorphosed the entire outlook of the food industry and opened up a wide choice for consumers to be selective in a wide variety of cuisines, anywhere, anytime from a range of restaurants listed online. Due to its growing working population, government policies and growth of the service sector, India with a GDP of US\$ 2,689 billion in 2018 was expected to grow to US \$ 3,586 billion by 2021. Food and Beverage (F&B) service industry had played an important role in the growth of Indian economy. It witnessed a rapid growth since 2014. This growth had attributed change in the pattern of food consumption owing to higher disposable income and changes in eating habits of people. As per Nasdaq, India was the only trillion-dollar economy that was among the five fastest growing economies in the world in 2017. Strong macroeconomic fundamentals, robust domestic demand, favorable demographics, and government policies were expected to contribute to a growth of 7.73% during 2017 -19.

#### **ENTRY AND GROWTH OF ZOMATO:**

India's online restaurant discovery and food delivery company, which was originally launched as 'Foodiebay' in 2008 was renamed as Zomato in the year 2010 to avoid confusion with 'ebay'. It started as an internet directory for restaurant search and discovery and online food ordering. It provided listing all the restaurants and the menus on the web. Initially having started with Delhi-NCR region, as their services gained momentum, it expanded across the country...

#### **OTHER PLAYERS IN THE ONLINE FOOD DELIVERY MARKET:**

In the year October 2014, the duo, Nandan Reddy (Nandan) and Sriharsha Majety (Majety), who were alumni of Birla Institute of Technology (BITS) Pilani, with an intention of targeting the hyper local delivery business, started Swiggy in Koramamngala, Bengaluru, Karnataka, India. They brought in Rahul Janimin who was an alumnus of IIT Kharagpur...

#### **MARKET SHARE AND INTENSITY OF COMPETITION:**

Zomato, Swiggy and Foodpanda were well established in Indian market by 2017 while Uber Eats was a new entrant in that year. The relationship between restaurants and Food Tech companies like Zomato, Swiggy, Uber Eats and Foodpanda varied greatly...

**THE ROAD AHEAD:** Though Zomato claimed the Unicorn status in March 2018, the immediate rival Swiggy became the 2nd Food Tech company to get Unicorn status by being valued over US\$1 billion. With funds pumped in by investors varying from US\$ 800 million to US\$1 Billion by 2019, the challenge for Zomato was to enhance the market share and become profitable...

1. Explain the success plan of Zomato
2. Explain the competitive strategies of Zomato