



Register Number:.....

MBA DEGREE EXAMINATIONS: JAN 2015

(Regulation 2012)

Second Semester

MASTER OF BUSINESS ADMINISTRATION

MBA625: International Business Management

Time: Three Hours

Maximum Marks: 100

Case Study:-

PART A (1 x 20 = 20 Marks)

1. Rajesh Gopinathan, Chief Financial Officer, TCS. said that the Tata Consultancy Services' China operations may continue to be loss making in the near term as it struggles to scale up in a traditionally conservative market for IT services. However, TCS does not have any plans to wind up operations and is experimenting with novel ways to make the business profitable, said He also stated that the TCS is distributed across six locations in China; they are yet to find the sweet spot. They need to ramp up with customers and at different locations, without which profitability will be a challenge.

Three units in China

TCS has three units in China — Tata Information Technology Shanghai Company Ltd (TITSC), TCS (China) and TCS Financial Solutions Beijing Co. According to the TCS annual report for 2013-14, TCS China and TITSC recorded net losses of Rs.18.7 crore and Rs.0.53 crore respectively. TCS Financial Solutions Beijing reported a marginal profit of Rs.1.23 crore. TCS operates delivery centres in Beijing, Hangzhou, Tianjin, Shanghai, Shenzhen, and Dalian

Key factors

Indian companies eye China for the ability to service operations of multinationals operating in that market; use China as a delivery base for Japan; and tap the growing demand from Chinese firms for IT services. He also declared that TCS, which has presence in China since 2002, has been leveraging its units from all three perspectives, albeit with limited success. In fact, the centre in Shenzhen was established with an eye on servicing clients from Hong Kong. However, the projects have not ramped up as expected. He stated that China continues to be a challenging

market for them, as the market IT outsourcing is still evolving. Most local companies either have in-house IT teams or engage with shared services firms. They are trying to experiment with their positioning and delivery strategy in the market.

- a) What are the advantage and disadvantages of doing business in China?
- b) How does “INCH” help TCS to book profits in China?
- c) How China is better market place than Japan?
- d) Quote the current challenges and risks faced by TCS in China?

Answer all the Questions:-

PART B (10 x 2 = 20 Marks)

2. What is a transnational organisation?
3. What is the meaning of LPG in Business context?
4. What is cartelization? Quote an example in international context.
5. What is EPG model?
6. What is NAFTA? What are its objectives?
7. Recall Michael Porter’s Diamond model?
8. What do you mean by Foreign Exchange rate?
9. What is ASEAN & SAARC?
10. List organisational structures of international business.
11. What is expatriation & repatriation?

PART C (4 x 15 = 60 Marks)

12. a) Explain empirically the challenges of Globalisation for Indian Industries with current context

(OR)

- b) Explain the classical theories of International trade.

13. a) Explain the different types of risk faced by International business.

(OR)

- b) Interpret the following statement and elaborate on it. “MNCs are supposed to build considerable market power. How does it influence that host country”?

14. a) Give your opinion on the impact of OPEC countries decision to stick on to production ceiling over Indian Balance of trade “

(OR)

b) Explain the genesis, functions and future of WTO?

15. a) Explain IMF's role and funding strategies?

(OR)

b) Explain the Entry modes of companies to get into international operations. Explain their advantages & disadvantages.
