

GLOBAL ENTERPRISES



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(MNCs)
Multi National Corporation
↓
More than one country.



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(MNCs)
National Corporation
↓
country.
Multi
↓
More than one

Every MNC will have their Headquarters in their Home Country.



PRERNA WALLAH

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Examples

Reliance Industries
TATA Group of companies
Samsung
Amazon etc.

will have their Headquarters
Home Country.



COMMERCE WALLAH

Features



- ▶ (i) **Huge capital resources:** They are able to tap funds from various sources. They may issue equity shares, debentures or bonds to the public. Because of their financial strength they are able to survive under all circumstances.
- ▶ (ii) **Foreign collaboration:** Big industrial houses wanting to diversify and expand have gained by collaborating with MNCs in terms of patents, resources, foreign exchange etc. But at the same time these foreign collaborations have given rise to the growth of monopolies.

(iii) **Advanced technology:** These enterprises possess technological superiorities in their methods of production

(iv) **Product innovation:** These enterprises are characterised by having highly sophisticated research and development departments engaged in the task of developing new products and superior designs

(v) **Marketing strategies:** They use aggressive marketing strategies in order to increase their sales in a short period. They possess a more reliable and up-to-date market information system

▶ (vi) **Expansion of market territory:** Their operations and activities extend beyond the physical boundaries of their own countries.

▶ (vi) **Centralised control:** They have their headquarters in their home country and exercise control over all branches and subsidiaries.