

TILAK MAHARASHTRA VIDYAPEETH, PUNE

BACHELOR OF BUSINESS ADMINISTRATION (B.B.A.)

EXAMINATION: DECEMBER - 2023

SEMESTER - I

Sub.: Introduction to Business (BBA15-113)

Date : 14/12/2023

Total Marks : 60

Time: 10.00am to 12.30pm

- Instructions:**
- 1) All questions are compulsory.
 - 2) Figures to the right indicate full marks.

Q. 1. Choose the most appropriate option. (05)

1. In which organization two or more persons who are competent agree to carry on lawful business and share the profits, time on agreed basis? The business may be carried on by all of them or any of them acting for all.

a) Sole proprietorship	b) Partnership
c) Agency	d) Organization
2. Sectors which are confined to railways ports, communications, broadcasting & power & a few departmental industrial undertaking such as the ordnance factories, railway workshops & post & telegraph are known as

a) Private Enterprise	b) Sole Proprietorship
c) Public Enterprises	d) Agency
3. In type of combination, the business units combine in the same plane, or in other words, they carry on the same trade or are engaged in the same productive activity.

a) Horizontal	b) Vertical
c) Lateral	d) Diagonal
4. Farming, mining, hunting, lumbering, fishing and fruit gathering etc. are the examples of industry.

a) Extractive	b) Manufacturing
c) Genetic	d) Construction
5. Which body is responsible for appointment of Managing Director?

a) Manager	b) Chief Executive
c) BOD	d) Shareholders

Q. 2. State True / False (05)

1. Divergent lateral integration is just the opposite of convergent lateral integration and this involves combination of different units which draw their raw materials, from open undertaking alone.

a) True	b) False
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2. "Partners in Profit only" are the persons who simply lend their names to the firms are known as nominal partners.

a) True	b) False
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3. In "Sole Proprietorship" type of business there is always lack of continuity or stability and the mortality rate of such business has also been high.

a) True	b) False
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4. Horizontal Combination is also known as "industry," or "sequence" or "process" combination.

a) True	b) False
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5. Many examples of functional layouts can be found in practice for instance, the manufacturing, hospitals and medical clinics, large offices, municipal services and libraries.

a) True	b) False
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Q. 3. Write Short notes on (Any Three) (15)

1. Objective of Public Enterprises
2. Rights of Shareholders
3. Key features of WTO
4. Factors Affecting Plant Layout
5. Advantages of Combination

Q. 4. Answer in detail (Any Two) (20)

1. Define business and explain its' various types in detail.
2. Explain the merits and limitations of the sole Proprietorship type of business.
3. Explain in detail the various requisites of successful business.

Q. 5. Case study (15)

Partnership in Business: A Case Study in Introduction to Business

Company Background:

ABC LLP is a successful law firm established as a partnership by two experienced attorneys, Mr. Smith and Ms. Johnson. The firm specializes in corporate law and provides legal services to a wide range of clients, including small businesses and multinational corporations.

Partnership Structure:

ABC LLP operates as a general partnership, where the attorneys are equal partners and share the responsibilities and profits of the firm. They have a mutual agreement regarding decision-making, workload distribution, and financial matters. The partnership is governed by a partnership agreement that outlines the rights, obligations, and terms of the partnership.

Challenges Faced:

Workload Distribution: As the firm grew, Mr. Smith and Ms. Johnson faced challenges in balancing their workload and managing client demands effectively. The workload imbalance could potentially lead to burnout and affect the quality of services provided.

Decision-making: Partnerships require consensus-based decision-making, which can sometimes lead to delays or disagreements. Ensuring effective decision-making processes was crucial for maintaining the firm's efficiency and responsiveness.

Succession Planning: Planning for the long-term sustainability of the partnership was essential. Identifying and grooming future partners to ensure a smooth transition became a priority for ABC LLP.

Strategies Implemented:

Clear Roles and Responsibilities: To address workload distribution challenges, ABC LLP implemented a clear system of roles and responsibilities. Mr. Smith and Ms. Johnson divided their workload based on their expertise and client relationships, ensuring a balanced distribution of work.

Regular Communication and Collaboration: The partners recognized the importance of effective communication and collaboration. They implemented regular meetings to discuss ongoing cases, client updates, and strategic decisions. This allowed them to stay aligned and make informed decisions promptly.

Succession Planning and Mentoring: ABC LLP initiated a succession planning process to

identify potential future partners. They started mentoring junior associates to prepare them for partnership roles. This ensured a smooth transition and continuity of the firm's operations in the long run.

Benefits of Partnership:

Shared Expertise and Resources: Partnership allows for pooling of knowledge, skills, and resources. Mr. Smith and Ms. Johnson leveraged their complementary expertise to provide comprehensive legal services to clients, enhancing the firm's reputation and capabilities.

Increased Client Base: By joining forces, the partners expanded their network and client base. The firm could attract a wider range of clients and handle more complex cases, leading to increased revenue and growth.

Risk Sharing: As partners, Mr. Smith and Ms. Johnson shared the financial risks and liabilities of the firm. This provided a sense of security and reduced the burden on individual partners.

Flexibility and Adaptability: Partnership offers flexibility in decision-making and adapting to changing market conditions. The partners could quickly respond to client needs, industry trends, and regulatory changes, ensuring the firm's competitiveness.

Questions:

Q.1: What challenges did Mr. Smith and Ms. Johnson face in their partnership business?

Q.2: What strategies did ABC LLP implement to address these challenges?

Q.3: What are the benefits of operating as a partnership for ABC LLP?
